SHAILY
Engineering Plastics Ltd
CIN # L51900GJ1980PLC065554

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SEPL/SE/SEP/26-27
09th September 2026

The General Manager,
Corporate Relations/Listing Department
BSE Limited
Floor 25, P.J. Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 501423

The Manager,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051
Scrip Code: SHAILY

Sub: SEPL Final Annual Report 2025-26

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

Dear Sir,

With reference to our earlier communication made on Friday, September 4, 2026, pertaining to the submission of the Annual Report for FY 2025-26, we would like to inform you that there has been a change in the photographs appearing on Page Nos. 2 and 3 of the Annual Report submitted for FY 2025-26.

In this regard, we are submitting herewith a final copy of the Annual Report incorporating the above-mentioned changes for your kind perusal.

Kindly take the same on record and oblige.

Thanking You.

Yours truly,
For Shaily Engineering Plastics Limited

Harish Govind Punwani
Digitally signed by Harish Govind Punwani
Date: 2026.09.09 16:31:21 +05'30'

Harish Punwani
Company Secretary & Compliance Officer
M. No. A 50950
Encl : a/a

Shaping the Critical

Shaily Engineering Plastics Limited
Annual Report 2025-26

Contents

Corporate Overview

Statutory Reports

Financial Statements

5 principal messages of this Annual Report

1 Five years of building. Now the platform is delivering.

Five years and ₹585.29 Cr of investment in capabilities, capacity, certifications and infrastructure translated into capacity monetisation, profitable growth and an 1,140 basis point improvement in ROCE.

2 From precision manufacturer to technology partner.

Shaily is evolving into a multi-segment, IP-led global engineering company able to manufacture high-precision components at scale, spanning design, co-development, tooling, prototyping, precision moulding and platform-led device innovation. The ambition is specific: to be engaged where the product architecture is decided, not after it has been fixed.

3 Healthcare is becoming the growth engine.

Healthcare revenue grew 139% in FY 25-26 to ₹392.8 Cr, at margins above the Company average, and now contributes 40% of consolidated revenue. The shift towards self-administration, injectable therapies and GLP-1 delivery has created a long-term, high-entry-barrier opportunity across customers and geographies.

4 Unlocking new opportunities.

India's semiconductor, electric vehicle, aerospace, defence and medical-device sectors are widening our opportunity set. Two adjacencies already carry commercial traction: precision internal components for consumer electronics and conductive chip trays for semiconductor assembly and test.

5 Smarter precision. Greener growth. Stronger moat.

Quality 4.0 is taking Shaily from inspection to prediction through IoT, real-time analytics, predictive quality and digital traceability. Investments in advanced materials, renewable energy, bio-polymers, recycled materials and low-carbon manufacturing support the ambition of zero-defect products with a near-zero environmental footprint.

Corporate snapshot

Shaily Engineering Plastics Limited is one of India's leading precision plastics engineering companies.

The Company is also the country's largest exporter of engineering plastics components, leveraging its advanced and integrated manufacturing cum engineering platform.

The Company possesses end-to-end capabilities - design, development, tooling, moulding and assembly. This empowers Shaily to transform complex requirements into precision-engineered solutions at scale.

The Company's healthcare vertical is its fastest-growing business, driven by long-standing partnerships with global pharmaceutical companies and a proven competence in advanced drug-delivery devices.

The Company has built a reputation for solving complex engineering problems, meeting global regulatory standards and creating enduring customer value through technology, R&D and manufacturing excellence.

Vision and Mission

To provide end-to-end solutions in plastics.

Deliver superior quality to our customers

Higher profitability

Value to our shareholders

Sustainability for future generations.

Our values

- Deliver customer delight through excellence in performance
- Never bypass systems and processes
- Always follow through on targets and commitments
- Be passionate, determined, proactive and ready to take on challenges
- Build a positive team and family spirit – One Shaily
- Treat everyone with courtesy and respect
- Doing it right the first time

Heritage and leadership

Shaily's story began in 1987, when Mr. Mahendra (Mike) Sanghvi set out to build something precise, reliable and lasting. What started as a single idea has grown into India's leading exporter of precision-engineered plastic components. Today, that founding vision is carried forward by Mr. Amit Sanghvi, Managing Director, and Mr. Mahendra Sanghvi, Executive Chairman, supported by a professional Board that brings deep domain expertise to every decision Shaily makes.

Footprint

Shaily is built to stay close to what matters — its customers and its supply chain. From its base near Vadodara, Gujarat, the Company has built an integrated manufacturing and supply network that keeps it seamlessly connected to key suppliers and ports. That connectivity translates into reach: Shaily's products travel from this single strategic base to customers across 31+ countries.

Manufacturing capabilities

Great products rarely come from a single process — they come from many working together. Shaily's manufacturing platform brings precision moulding, automation, tooling and metal capabilities under one integrated ecosystem, enabling complex, multi-material products to be developed and built without ever leaving the fold. Backed by advanced, high-precision and high-speed automated infrastructure, Shaily delivers sophisticated products at scale, across healthcare, consumer and industrial applications.

Built to global standards

For Shaily, quality is not a claim — it is a discipline built into every certification the Company holds. Its operations are aligned with globally recognised quality, environmental, social and compliance standards, including ISO 9001:2015, IATF 16949:2016, ISO 13485:2016, ISO 15378:2015, MDSAP, SA 8000, ISO 14001:2015, ISO 50001:2018, RBA (Responsible Business Alliance), SCAN, AEO and ISCC Plus. Together, they reinforce a single commitment: reliability, responsibility and sustainability, at every step.

Engineering expertise

Shaily manufactures value-added products using advanced engineering polymers including PA6/66/12, PES, PPS, PBT, LCP, POM, PC, Torlon and PEEK, with capabilities spanning precision moulding, assembly and secondary operations such as pad printing, hot stamping, painting, screen printing, ultrasonic welding, laser marking, PVD coating and vacuum metallising. In FY 25-26, Shaily made large investments in its tool room and metrology infrastructure, strengthening its equipment base and the capabilities of its people. These investments are strengthening our ability to develop and manufacture complex, high-precision components at scale, and to hold quality, precision and control across the entire design-to-delivery cycle.

Innovation at the core

Behind every Shaily product is an idea, refined until it is ready for the world. Shaily Innovations Limited, formerly Shaily (UK) Limited, serves as the Company's innovation hub, working closely with Indian operations and global customers to develop IP-led solutions for self-use drug delivery systems. From concept creation and patent landscaping to detailed engineering, industrial design, tolerance analysis, prototyping, DFM, DFA and mould development, this hub helps customers move faster from idea to launch, without compromising on the standards the world expects.

Industries we serve

Shaily develops and manufactures value-added solutions using ultra-high-performance engineering plastics, built to serve a diversified range of applications across Healthcare, Industrial and Consumer segments — proof that precision, once mastered, travels well.

Awards and recognition

- Won Best Exporter of Engineering Components of Plastics for the FY 23-24 and FY 24-25 from The Plastics Export Promotion Council (PLEXCONCIL) for the 21st consecutive year
- Received an award for "TOP 50 INNOVATIVE COMPANIES" from the Confederation of Indian Industry (CII)
- Awarded "GHKC-GreEnv Competition 2022-23" for Good Housekeeping Cost (GHKC) with Green Environment.
- Stood second runner-up in GEO Excellence Awards 2024 in the CSR category.
- Won the Piramal All India Kaizen Competition 2017-18 for automation of Kaizen initiatives.
- Won a Gold Medal for Outstanding Export of Finished Plastic Goods from Plastindia Foundation.
- Recognised by the Government of India for R&D capability.
- Shared the Good Design Award with Sanofi for the industrialisation of the pen injector.
- Awarded 100% Quality Award for supplying Shell with 100% product quality for two years.

Talent

A business is only as strong as the people behind it. As of 31st March 2026, Shaily's workforce comprised 3,215 individuals, including 809 permanent and 2,406 non-permanent employees, including contract workers. This diverse talent pool brings together expertise across engineering design, manufacturing, fabrication, quality, finance, sales, service and compliance, among other functions. With an average age of 34 years, the workforce combines youthful energy, specialised skills and agility — a strong foundation for innovation and future growth.

Credit rating

Financial discipline shows up in the numbers that matter. The Company's credit profile remained strong during FY 25-26, with CARE A+ for long-term facilities, carrying a Stable outlook, and CARE A1 for short-term facilities. Both ratings were reaffirmed during the year, reflecting sustained financial strength, business stability and the confidence Shaily continues to inspire among stakeholders.

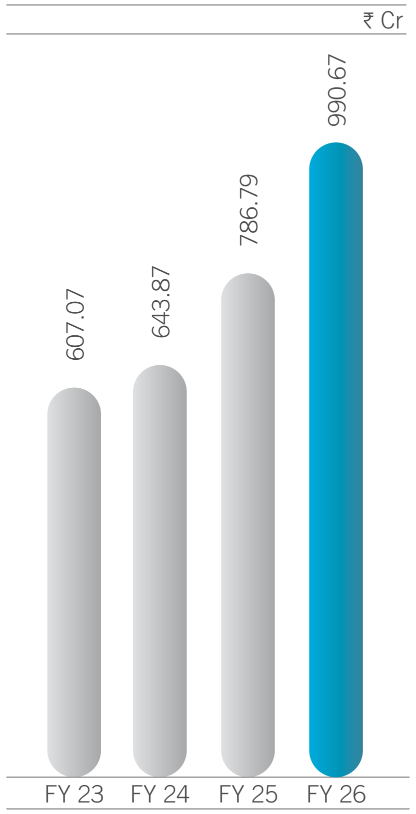
Market capitalisation

Shaily's growth story is one the market has watched closely. The Company's equity shares are traded on the Bombay Stock Exchange and National Stock Exchange, with a market capitalisation of ₹9,579 Cr on BSE and NSE as on 31st March 2026.

Marquee clients

Consumer	Industrial	Healthcare
Gillette	GE Appliances	Dr. Reddy's Laboratories
P&G	Garrett Advancing Motion	Orbicular Pharmaceutical Technologies
Hindustan Unilever	MABE	Hetero Pharma
IKEA	Phoenix Mechano	MSN Laboratories
Corvi	Armivan	Aspen Pharma
Lidl	Schaeffler	Sanofi
Lowes	Muviq	Merck S.A.
Focus Light	Hilti	Eugia Pharma
		Ambiorix
		Adalvo Pharma

How we have performed across the years



Consolidated revenues

Definition

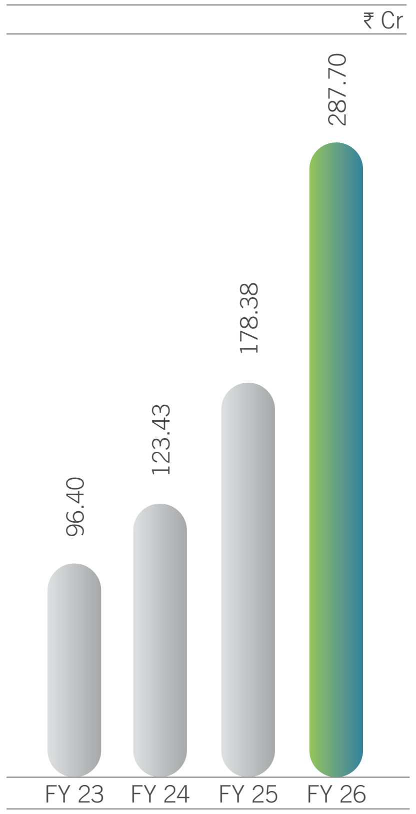
Total revenue generated from business operations during the year. It is measured to assess the scale, growth and momentum of the business.

Performance

Revenue surged from ₹643.87 Cr in FY 23-24 to ₹990.67 Cr in FY 25-26, a 53.9% increase in two years. FY 25-26 revenue grew 25.91% YoY, driven by strong momentum across key growth businesses, particularly Healthcare and Industrial.

Value impact

Crossing ₹990 Cr marks a powerful scale-up in just two years, bringing the business close to the ₹1,000-Cr milestone and creating a larger platform for prospective growth.



Consolidated EBITDA

Definition

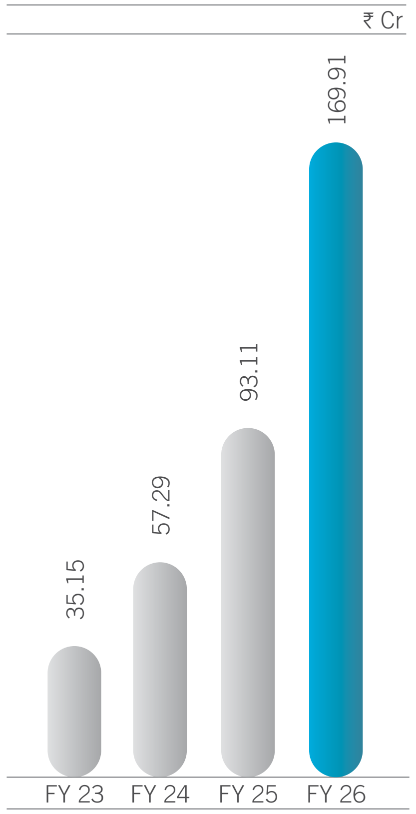
EBITDA measures the earnings generated from core operations before interest, tax, depreciation and amortisation. It is measured to assess operating profitability and the efficiency of the business.

Performance

EBITDA more than doubled from ₹123.43 Cr in FY 23-24 to ₹287.70 Cr in FY 25-26, rising 133.1% in two years. FY 25-26 EBITDA grew 61.28% YoY, reflecting strong operating leverage as the business scaled.

Value impact

The sharp expansion in EBITDA demonstrates that growth is translating into stronger operating earnings, with profitability scaling faster than revenue and creating a greater value from every incremental rupee of business.



Consolidated net profit

Definition

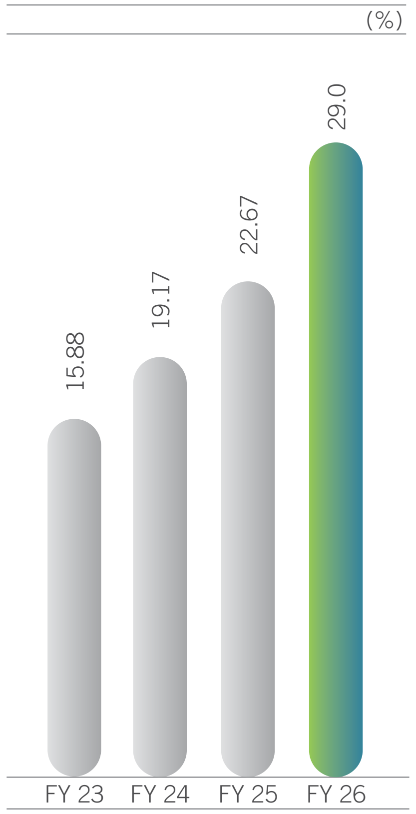
Net profit is the profit remaining after all operating costs, interest, taxes, depreciation and other expenses. It is measured to assess the overall profitability of the business.

Performance

Net profit nearly tripled from ₹57.29 Cr in FY 23-24 to ₹169.91 Cr in FY 25-26, rising 196.6% in two years. FY 25-26 net profit grew 82.5% YoY, marking a powerful acceleration in bottom-line growth.

Value impact

Profit is scaling far faster than revenue, signalling a strong improvement in earnings quality and the ability to convert business growth into substantially higher returns for shareholders.



Consolidated EBITDA margin

Definition

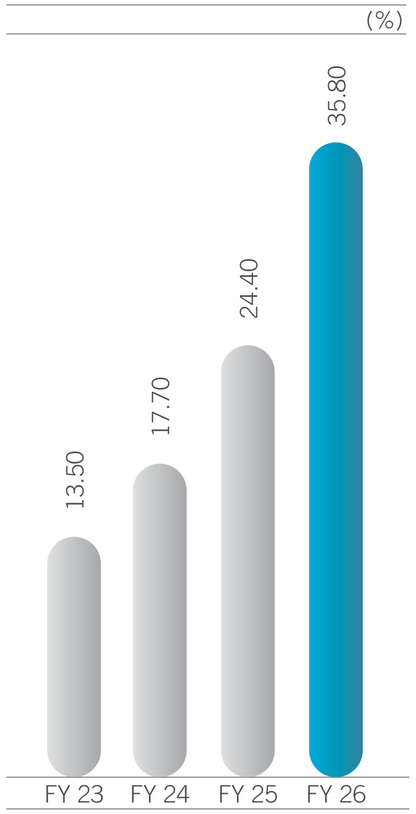
EBITDA margin shows how much of every rupee of revenue is retained as operating earnings before interest, tax, depreciation and amortisation. It is measured to assess operating efficiency and profitability.

Performance

EBITDA margin expanded from 19.2% in FY 23-24 to 29.0% in FY 25-26, a 980 bps improvement in two years. The FY 25-26 margin increased 630 bps YoY, a significant step-up in operating profitability.

Value impact

Nearly 1000 basis points of margin expansion in two years signals a powerful improvement in earnings efficiency, enabling a substantially larger share of revenue to translate into operating profit.



Consolidated RoCE

Definition

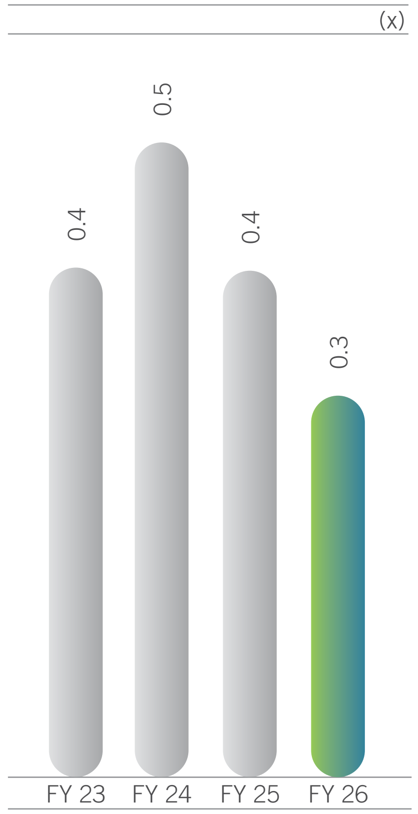
RoCE measures how efficiently a business generates operating returns from the capital invested in it. It is measured to assess capital efficiency and the quality of growth.

Performance

RoCE doubled from 17.7% in FY 23-24 to 35.8% in FY 25-26, improving by 18.1 percentage points in two years. FY 25-26 RoCE rose 11.4 percentage points YoY, marking a standout improvement in capital efficiency.

Value impact

A RoCE of 35.8% signals that the business is generating substantially stronger returns from its capital base, strengthening the quality of growth and enhancing value creation.



Consolidated gearing ratio

Definition

Gearing ratio measures the level of debt used to finance a business relative to its equity. It is measured to assess financial leverage and balance-sheet strength.

Performance

Gearing improved from 0.5x in FY 23-24 to 0.4x in FY 24-25 and further to 0.3x in FY 25-26. The 0.2x reduction over two years highlights a stronger capital structure alongside rapid business growth.

Value impact

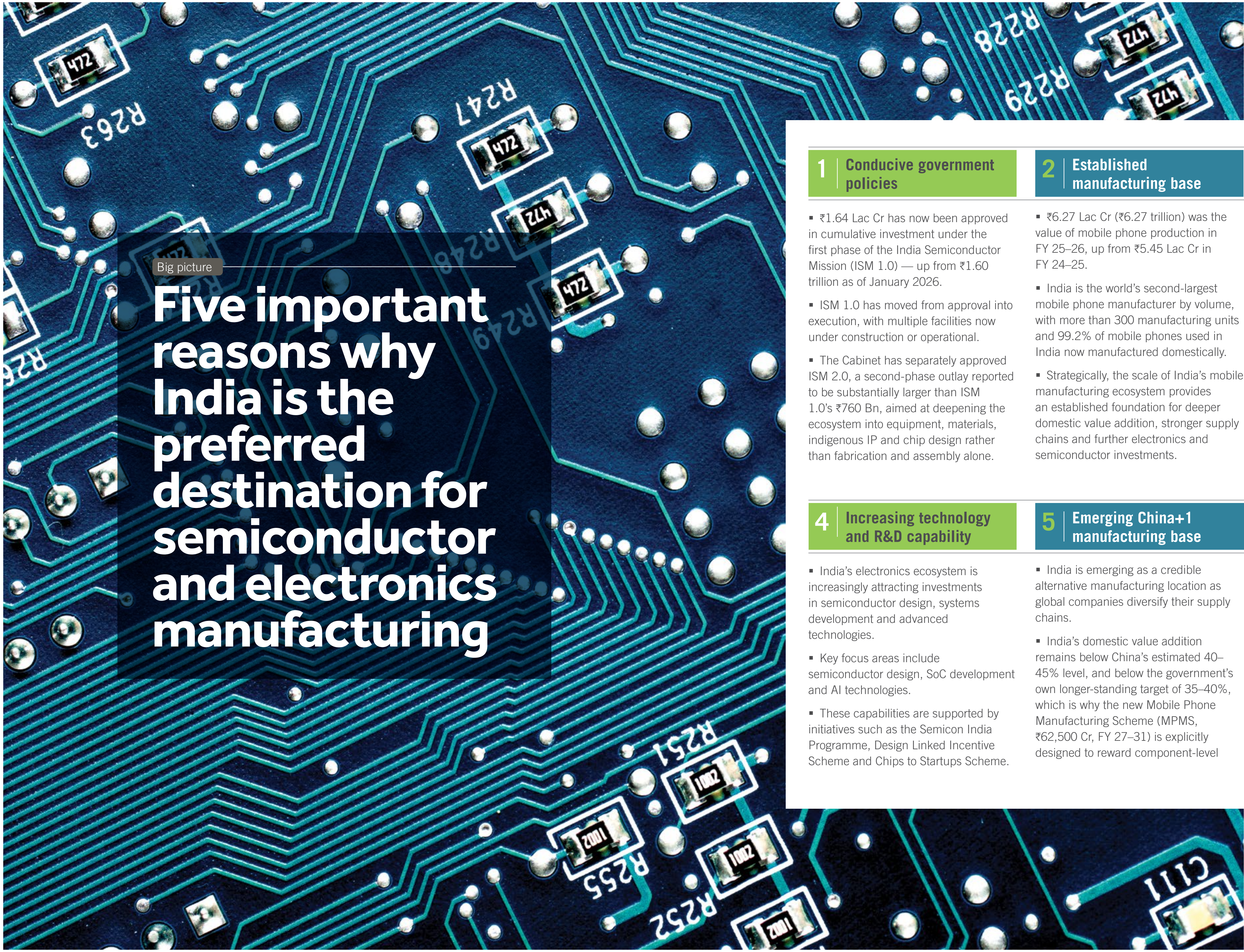
Lower gearing strengthens financial flexibility and provides a robust foundation to support the next phase of expansion, while keeping the balance sheet well positioned to create long-term value.

Shaily's global footprint

The Company generated 69.32% of its revenues from sales revenues outside India.

The Company's international revenues were generated from 31+ countries.

The Company serves the high-volume and technically complex requirements of marquee global companies.



Big picture

Five important reasons why India is the preferred destination for semiconductor and electronics manufacturing

1 Conducive government policies

- ₹1.64 Lac Cr has now been approved in cumulative investment under the first phase of the India Semiconductor Mission (ISM 1.0) — up from ₹1.60 trillion as of January 2026.
- ISM 1.0 has moved from approval into execution, with multiple facilities now under construction or operational.
- The Cabinet has separately approved ISM 2.0, a second-phase outlay reported to be substantially larger than ISM 1.0's ₹760 Bn, aimed at deepening the ecosystem into equipment, materials, indigenous IP and chip design rather than fabrication and assembly alone.

2 Established manufacturing base

- ₹6.27 Lac Cr (₹6.27 trillion) was the value of mobile phone production in FY 25–26, up from ₹5.45 Lac Cr in FY 24–25.
- India is the world's second-largest mobile phone manufacturer by volume, with more than 300 manufacturing units and 99.2% of mobile phones used in India now manufactured domestically.
- Strategically, the scale of India's mobile manufacturing ecosystem provides an established foundation for deeper domestic value addition, stronger supply chains and further electronics and semiconductor investments.

3 Expanding export competitiveness

- US$ 47.96 Bn (₹4.24 Lac Cr) worth of electronics was exported in FY 25-26, representing an over 11-fold increase from ₹38,000 Cr a decade earlier.
- India's electronics sector is increasingly oriented towards global markets rather than exclusively domestic demand.
- Strategically, growing exports reinforce India's position as an emerging global electronics manufacturing base.

4 Increasing technology and R&D capability

- India's electronics ecosystem is increasingly attracting investments in semiconductor design, systems development and advanced technologies.
- Key focus areas include semiconductor design, SoC development and AI technologies.
- These capabilities are supported by initiatives such as the Semicon India Programme, Design Linked Incentive Scheme and Chips to Startups Scheme.

5 Emerging China+1 manufacturing base

- India is emerging as a credible alternative manufacturing location as global companies diversify their supply chains.
- India's domestic value addition remains below China's estimated 40–45% level, and below the government's own longer-standing target of 35–40%, which is why the new Mobile Phone Manufacturing Scheme (MPMS, ₹62,500 Cr, FY 27–31) is explicitly designed to reward component-level localisation rather than just assembly volume.
- Strategically, rising domestic value addition indicates the gradual deepening of India's electronics manufacturing ecosystem, from final assembly toward components, sub-assemblies and precision manufacturing.

Big picture

Five reasons that make Shaily the preferred manufacturing partner for semiconductor and consumer electronics

1 Proven precision manufacturing

- Shaily has developed high-precision manufacturing capabilities through its established healthcare and pharmaceutical business, where component quality and dimensional accuracy are critical.
- The Company manufactures components weighing as little as 0.03 grams, to tolerances as tight as five microns, at commercial volumes.
- Fifteen years of supplying applications governed by stringent quality and process controls provide a directly transferable foundation for semiconductor and electronics manufacturing.
- Strategically, established precision-manufacturing capabilities position Shaily to address the tight-tolerance requirements of semiconductor and electronics applications.

2 Established quality and compliance systems

- Shaily's quality systems are aligned with global standards, including ISO 9001, IATF 16949, ISO 13485, MDSAP, ISO 14001 and RBA.
- The Company possesses experience in serving regulated customers and managing stringent quality requirements and audits.
- Established processes support consistency, traceability and compliance across manufacturing operations.
- Strategically, these capabilities can support the qualification requirements of global semiconductor and electronics customers.

3 Commercial traction in target segments

- Shaily commenced commercial supply of precision internal components to its first consumer electronics customer in the fourth quarter of FY 25-26, following multi-quarter qualification.
- The Company signed a supply agreement with a Korean technology partner for the manufacture of conductive chip trays, with commercial supply expected from the fourth quarter of FY 26-27.
- The engagement positions Shaily inside the global semiconductor supply chain, serving assembly and test customers first and fabrication customers as India's ecosystem matures.
- Strategically, commercial traction across both segments demonstrates Shaily's ability to progress from customer qualification to actual supply.

4 Disciplined capital allocation

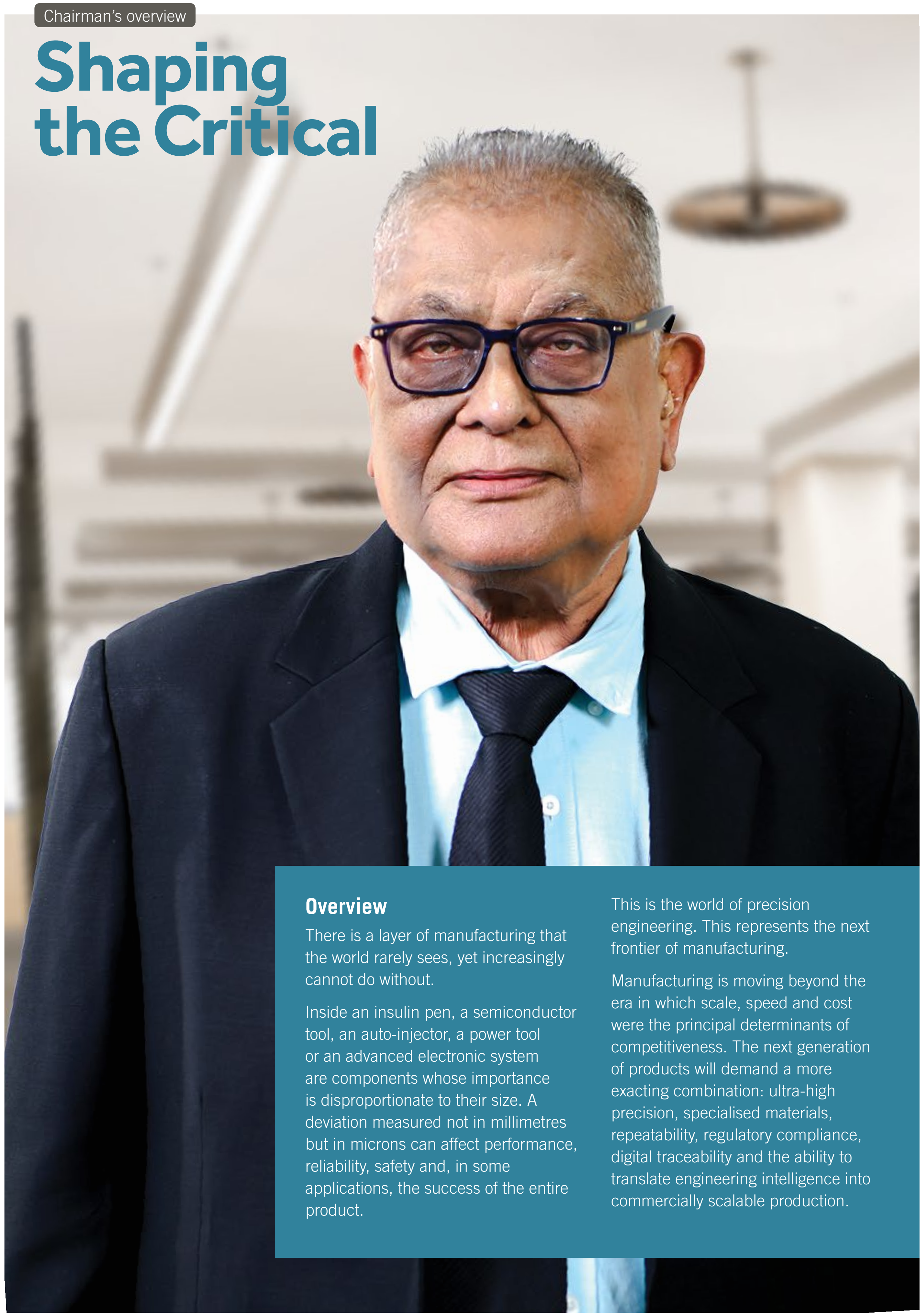
- Shaily follows a measured approach to capacity expansion, prioritising asset utilisation and productivity before incremental capacity creation.
- The Company is improving machine utilisation without proportionate increases in capital expenditure.
- Declining leverage and a reaffirmed CARE A+/A1 credit profile underpin financial resilience.
- Strategically, disciplined capital allocation provides flexibility to support growth while maintaining Balance Sheet strength.

5 Global customer and operating presence

- Shaily combines an India-led manufacturing base near Vadodara, Gujarat, with an international operating and customer presence.
- The Company's combination of Indian manufacturing capability and international customer relationships supports engagement with global customers and diversified supply chains.
- Strategically, Shaily's India-based manufacturing platform and international reach strengthen its ability to participate in increasingly diversified global supply chains.

Chairman's overview

Shaping the Critical



Overview

There is a layer of manufacturing that the world rarely sees, yet increasingly cannot do without.

Inside an insulin pen, a semiconductor tool, an auto-injector, a power tool or an advanced electronic system are components whose importance is disproportionate to their size. A deviation measured not in millimetres but in microns can affect performance, reliability, safety and, in some applications, the success of the entire product.

This is the world of precision engineering. This represents the next frontier of manufacturing.

Manufacturing is moving beyond the era in which scale, speed and cost were the principal determinants of competitiveness. The next generation of products will demand a more exacting combination: ultra-high precision, specialised materials, repeatability, regulatory compliance, digital traceability and the ability to translate engineering intelligence into commercially scalable production.

As products become smarter, more connected and increasingly miniaturised, the tolerance for error is collapsing.

Shaily operates in this invisible but indispensable layer. We do not make the products that consumers necessarily see; we shape the components that allow those products to perform.

'Shaping the Critical' is therefore not a new tagline. It describes a discipline that Shaily has practised for years.

From patience to proof

FY 25–26 was the year in which years of patient investment began translating decisively into performance.

Our revenue increased 25.91% to ₹990.67 Cr, EBITDA rose 61.28% to ₹287.7 Cr, while PAT increased 82.5% to ₹169.91 Cr. EBITDA margin expanded by 630 basis points to 29.0%, while ROCE expanded by 1,140 basis points to 35.8%.

These are not merely markers of growth; they are markers of operating leverage, capital productivity and business quality.

The significance lies in the speed and breadth of the improvement. In one financial year, Shaily moved substantially from a phase of capacity creation towards a phase of capacity monetisation. The investments of the preceding years—in people, technology, capacity, intellectual property, customer relationships and global capabilities—began to demonstrate their economic value.

This is, in my view, the beginning of a new phase in the existence of Shaily.

Precision is becoming the new currency

The industries we serve are undergoing a fundamental transformation. Healthcare devices are becoming more intuitive and patient-centric. Electronics are becoming smaller and more sophisticated. Semiconductor manufacturing requires extraordinarily controlled environments and handling systems. Automotive, power tools and industrial products increasingly depend on components that must perform consistently under demanding conditions.

OEMs may excel at product architecture, assembly and branding. But the specialised knowledge required to manufacture a high-precision polymer component deep inside a complex system warrants a different competence altogether.

This competence cannot be built overnight.

At Shaily, we have proactively invested ahead of the curve. Today, we can manufacture complex components weighing as little as 0.03 grams with tolerances as tight as five microns.

Our opportunity is to increasingly occupy that valuable space where material science, precision engineering, tooling, automation, quality and application knowledge converge.

Healthcare: the most decisive transformation

No development during FY 25–26 was more consequential to Shaily than the acceleration of our Healthcare business.

Healthcare revenue increased from ₹164.7 Cr to ₹392.8 Cr, a growth of 139%, taking its contribution to approximately 40% of our consolidated revenue from around 21% a year earlier.

This was not an accidental shift. It was the outcome of deliberate investment and prudent opportunity selection. We entered the healthcare segment because the underlying need was structural. Drug delivery is undergoing a profound transition—from hospital administration towards self-administration, from vials and conventional syringes towards pens and auto-injectors, and from episodic treatment towards therapies that increasingly require continuous patient participation.

For Shaily, this transition creates an unusually attractive intersection of precision engineering, plastics, device design, regulatory capability and patient-centric technology.

The success of this vertical is also beginning to transform how Shaily is perceived internationally. A company that can reliably manufacture sophisticated drug-delivery systems for global pharmaceutical customers is not simply participating in a supply chain; it is becoming a part of the infrastructure of modern healthcare.

Choosing the right opportunity within healthcare

Entering the healthcare segment was only the first decision. Selecting where within healthcare to concentrate our capabilities was equally important.

We identified GLP-1-linked drug delivery as one of the most compelling opportunities emerging globally. Semaglutide has become emblematic of this transformation: a medicine associated with a new generation of metabolic therapies and a delivery model that is inherently suited to self-administration. The World Health Organization notes that injectable semaglutide can be self-administered, illustrating how drug delivery is increasingly moving closer to the patient.

We moved early and deliberately. During the year, Shaily Harmony and Shaily Neo pens were commercially launched with multiple customers for Semaglutide across India and other markets, while Semaglutide pens manufactured by Shaily were launched by a customer in Canada.

The lesson is important: growth does not come simply from choosing a large market. It comes from identifying the right structural transition within that market, developing the appropriate technology ahead of demand and then possessing the manufacturing capability to scale it.

What generics built

Our healthcare business was built on generic and biosimilar programmes, and that foundation has served this Company extraordinarily well.

It gave us volume. It gave us regulatory filings accepted in some of the most demanding jurisdictions in the world. And it gave us a manufacturing record that a global pharmaceutical company can verify for itself rather than take on trust. Very few device manufacturers anywhere can demonstrate that combination, and it is the reason Shaily is now considered for conversations that would have been out of reach five years ago.

Our generic and biosimilar customers are among the most exacting in the industry. Serving them well is what made us credible. They remain central to this business and they will grow with us.

What has changed is the range of what we can pursue alongside them. The credibility earned in generics is what now allows us to engage innovator companies on novel molecules, to invest in device platforms of our own, and to be brought into a programme while the architecture of the device is still open. The Managing Director sets out how we intend to do that in his statement.

We also received confirmation of EMA approval for a customer's Teriparatide product and secured a ₹423 Cr order from a large domestic pharmaceutical company for pen injectors to be delivered across four years.

Together, these developments strengthen the foundation for our healthcare business that is turning broader, deeper and increasingly technology-led.

Strengthening the core

Everything ahead of us rests on a single capability: designing and manufacturing very small, very precise components, in very large numbers, without defect. That is the core of this Company, and our intention is to keep widening the gap between us and anyone attempting to follow.

During the year we invested substantially in our tool room and our metrology infrastructure, and in the people who operate them. We deepened our work in advanced polymers. We continued to move quality upstream, from inspection towards prediction, through connected manufacturing and predictive systems.

These are unglamorous investments. They are also the reason customers in three very different industries now qualify Shaily for their most demanding components.

Our strategy follows directly from this. We will grow where precision, regulatory discipline and zero-defect manufacturing are the binding constraint, because that is where our capability is worth the most and where it is hardest to replicate. In healthcare, that means innovation in drug delivery: better devices, owned technology, and engagement early enough in a programme to shape the product rather than reproduce it. It is innovation, more than volume, that will drive the next phase of healthcare growth.

Broadening the engine of growth

A strong company cannot afford to depend upon a single growth engine, however attractive that engine may be.

Our Industrial business grew 41% to ₹86.6 Cr, supported by new business wins, including one programme awarded by an automotive customer and additional business confirmed by an existing home-furnishing customer during the year.

Our Consumer business, at ₹511.3 Cr, declined 9%, reflecting a weaker home-furnishing demand across Europe and the United States. In spite of this, the Consumer business continued to expand its customer base and product portfolio, with five new projects awarded across three home furnishing customers in the first and second quarter of FY 25-26. In Q3 FY 25-26, the business onboarded a new customer for power tool components and received new orders for LED lighting applications and mixed material products. Moreover, business for male accessories was awarded by a marquee FMCG customer, strengthening the Consumer business pipeline.

Our responsibility is to build a portfolio in which short-term cycles in one business can be balanced by long-term growth in another.

This philosophy is visible in our entry into consumer electronics and semiconductors. In consumer electronics, we began commercial supply of precision internal components to our first customer during the year. In semiconductors, our agreement with a Korean technology partner to manufacture conductive chip trays places Shaily inside a supply chain that India is now building in earnest. Both draw on precisely the engineering discipline that built our healthcare business.

Discipline beyond the Balance Sheet

Growth is valuable only when it is accompanied by discipline.

Our net debt-to-equity ratio improved to 0.3, while total equity increased to ₹717 Cr. The objective has never been growth at any cost. It has been profitable, capital-efficient and sustainable growth.

The same discipline extends beyond financial capital. We now source 100% of our electricity from renewable sources, and we continue to increase the use of bio-based and recycled materials without compromising our zero-defect philosophy. We are also net water positive.

Our multi-shore footprint across India, the UK and Abu Dhabi is being developed not merely for geographic reach but for regulatory proximity, customer confidence and resilience.

We are investing in deep-tech materials and Quality 4.0, combining predictive quality systems with digital traceability. In precision manufacturing, quality cannot be inspected into a product at the end; it must be engineered into every stage of the process.

Vision clarity for the next phase

The opportunity before Shaily is larger than the opportunity represented by any individual product or vertical.

India's emergence as a manufacturing destination is converging with the rapid expansion of semiconductors, electric vehicles, aerospace, medical devices and advanced electronics. These industries share a common requirement: precision.

Our ambition is to evolve into a diversified, IP-led global manufacturing platform that participates across these emerging ecosystems: healthcare devices at the core, precision internal components for consumer electronics and conductive chip trays for semiconductors as the adjacencies we have already entered. That ambition requires capital, but more importantly, it requires clarity. We must know where we want to play, what capabilities we must own and which technologies we must build before the market demands them.

In this context, the Board's approval of an enabling resolution to raise up to ₹500 Cr gives us the flexibility to fund the next phase of growth and to act on time-sensitive opportunities as they mature. It is a standing authority, not a signal of an imminent issue. The objective is not simply to become larger. It is to become more consequential.

Outlook

I have rarely been more confident about the position this Company occupies.

Our healthcare business has scale, regulatory standing in the markets that matter, and a portfolio of device platforms we own. Our Consumer and Industrial businesses continue to win work of rising complexity. Two new businesses have moved from intent to revenue inside a single year. The Balance Sheet is stronger than at any point in our history, leverage is lower, and capital is being deployed with discipline.

The opportunity in front of Shaily is larger than any single product or vertical. Our task is to keep earning it.

The work ahead

I thank our shareholders for their trust, our customers for their confidence and, above all, our employees for the discipline with which they have converted long-term investments into present-day performance.

What was once critical to individual customer products is becoming critical to entire industries. That is the opportunity before Shaily.

The future of manufacturing will belong increasingly to companies that can make the smallest things matter: more precise, more reliable, more intelligent and more indispensable.

Shaping that criticality — responsibly, ambitiously and with the patience to build capabilities before the world recognises their value — is the work ahead.

Mahendra (Mike) Sanghvi
Chairman

Shaily's strategic priorities

EXPAND
Broaden proprietary drug delivery platforms and next-generation device solutions.

SCALE
Accelerate manufacturing capacity, automation and operational excellence.

DEEPEN
Strengthen global OEM relationships and build a more resilient, diversified customer base.

MOVE UP THE VALUE CHAIN
Drive higher-value, high-margin growth through complex device engineering, integrated solutions and co-development.

BUILD CAPABILITIES
Accelerate strategic partnerships, technology transfers and selective acquisitions.

RAISE THE BAR
Build best-in-class manufacturing and quality systems for scalability and compliance.

PUT CUSTOMERS FIRST
Deliver a superior customer experience from development through commercialisation.

Eagle vision

Precision. Partnership. Performance.

Overview: Precision in an age of complexity

Inside every complex product, hundreds of components operate in silent coordination. Most remain unseen—yet the moment one deviates, even by a millimetre, the system fails.

That millimetre is everything.

As products across healthcare, electronics, and industrial systems become smarter, connected, and data-enabled, the tolerance for error has collapsed. What was once a mechanical paradigm governed by acceptable deviation has evolved into a precision economy where micron-level accuracy defines product integrity, lifecycle reliability, and brand trust.

This shift has created a structural divide: OEMs excel at assembling and branding products, but the manufacturing of high-precision polymer components—particularly those embedded deep within systems—requires specialised expertise, advanced material science, and a zero-defect culture.

This is where Shaily operates. We are not visible in the final product; we are indispensable to its performance.

Our performance: From investment to inflection

Over the five years ending in FY 25-26, the Company invested ₹585.29 Cr in capabilities, infrastructure and regulatory readiness, consistently ahead of visible demand. In FY 25-26, that investment phase converted into an execution and returns phase.

- Revenues grew 25.91% to ₹990.67 Cr
- EBITDA grew 61.28% to ₹287.7 Cr
- Net profit grew 82.5% to ₹169.91 Cr
- ROCE expanded 1,140 bps to 35.8%

This is not a cyclical recovery; it is a structural validation. We have moved from capacity creation to capacity monetisation.

Our brand: From precision vendor to global platform

A few years ago, Shaily was largely perceived as a high-quality precision plastics manufacturer, operating primarily as a supplier within defined customer specifications.

Today, that identity has evolved. We are now a multi-segment, IP-led global engineering company with capabilities spanning the following segments:

- Design and co-development
- Tooling and prototyping
- Precision moulding and assembly
- Platform-based device innovation

From mechanical to integrated systems: Products now combine hardware, electronics, software, and data. From volume manufacturing to precision ecosystems: Regulatory intensity, especially in healthcare, has elevated entry barriers. From cost arbitrage to capability arbitrage: Customers now prioritise reliability, compliance, and co-development over price.

This transition has been shaped by a fundamental shift in the global precision manufacturing landscape.

Industry transformation: From tolerance to intelligence

The precision engineering ecosystem has undergone three structural shifts:

From mechanical to integrated systems: Products now combine hardware, electronics, software, and data.

From volume manufacturing to precision ecosystems: Regulatory intensity, especially in healthcare, has elevated entry barriers.

From cost arbitrage to capability arbitrage: Customers now prioritise reliability, compliance, and co-development over price.

In this environment, scale alone is insufficient; it is capability that defines relevance.

Shaily has responded by repositioning itself from a component supplier to a strategic development partner.

Responsiveness as a strategic capability

These transitions underscore a defining strength of the Company: our ability to anticipate structural shifts early and respond with speed and conviction.

We invested ahead of demand. We built capabilities before contracts. We secured certifications before scale.

That sequencing is now translating into our competitive advantage.

Healthcare: Our core growth engine

Our Healthcare vertical has emerged as the most transformative driver of our business.

- Healthcare's revenue contribution rose from 17% in FY 23-24 to 21% in FY 24-25 and 40% in FY 25-26.
- Segment revenue grew 139% year-on-year, from ₹164.7 Cr to ₹392.8 Cr.
- Segment margins were above the Company average and were the principal driver of the 630 basis point expansion in consolidated EBITDA margin.

The point is not that we grew. It is that the growth changed the quality of the business: higher margins, higher capital efficiency and higher switching costs for the customer.

The rationale for this is that drug delivery itself is undergoing a fundamental transformation:

- From hospital-based administration to self-administration
- From vials and syringes to pen injectors and auto-injectors
- From episodic treatment to continuous therapy management

This is driven by rising chronic diseases (diabetes, obesity, autoimmune disorders), patient preference for convenience and compliance as well as biologic drugs requiring precise, controlled delivery.

As a result, the device has become as critical as the drug. This creates a long-term, high-entry-barrier opportunity for companies capable of delivering precision, compliance, and scalability.

In this respect, our proactively decisive entry into semaglutide-linked GLP-1 delivery systems represents a defining strategic move. This opportunity is attractive because it addresses two global epidemics (diabetes and obesity). Besides, demand is structurally outpacing supply, patent expiries post-2026 will unlock generic-led scale expansion and over 75% of GLP-1 therapies under development remain injectable. This will ensure sustained demand for delivery devices over the next decade.

Moving from manufacturing to technology platforms will enable the following to transpire: ownership of intellectual property, higher margins derived from pricing power, stronger customer stickiness and a participation in innovation cycles (not just production cycles). This transition positions Shaily at the strategic design table, not just the production line.

Our positioning—across multiple customers and geographies— will empower us to participate in parallel market activations, reducing our dependence on single-product timelines.

Our strategic direction

Healthcare is inherently global. Building a diversified international customer base enables regulatory learning across jurisdictions, risk diversification across molecules and timelines, early participation in global launches and long-term contractual visibility.

With our global presence, and 69.32% of our revenues derived from exports, Shaily is structurally aligned around global healthcare demand.

In this environment, our strategic intent remains clear: We do not aim to remain a contract manufacturer; we aim to become a platform-led technology partner. Our platforms—ShailyPen Axiom®, ShailyPen Protean®, ShailyPen Neo™, ShailyPen Axiom Max™, ShailyPen Harmony®, ShailyPen Maxim™, Shaily AI Tristan™, Shaily AI Toby™, Shaily Mira™ and ShailySafe LAN™ - represent this shift.

Moving from manufacturing to technology platforms delivers four outcomes: ownership of intellectual property, higher margins through pricing power, stronger customer retention, and participation in the innovation cycle rather than only the production cycle.

We recognise the risk in our own position. Injection pens for established molecules commoditise as volumes scale. Price erosion follows, differentiation collapses and margins compress. This is not a distant scenario. It is the predictable end state of any device business that stands still.

Our response in this challenging environment is deliberate: We will not compete in commoditised markets; we will climb the value chain.

Our next target: the global innovators

Generic and biosimilar programmes built this business, and they built it well. They gave us volume, they gave us filings accepted in Canada, Europe and India, and they gave us a manufacturing record that can be audited rather than described. Our generic customers are among the most demanding pharmaceutical companies in the world, and serving them is what made us credible. They will continue to grow with us, and we intend to keep earning that.

That credibility is now our entry ticket to a second conversation.

Innovator pharmaceutical companies select a device partner years before a molecule reaches the market, at the point where the device architecture is still open and where the engineering choices are still ours to influence. That is where we intend to be engaged. We have built the business development presence to pursue it, and we are in advanced discussions with innovator companies on programmes of this kind.

This is an addition to our portfolio, not a substitution for it. The two businesses reinforce each other: generic volumes keep our plants efficient and our costs competitive, and that efficiency is part of what makes us attractive to an innovator.

Insulin: the foundation we are not stepping away from

Much of the industry's attention has moved to GLP-1. Ours has not moved away from insulin.

Insulin is a large, essential and enduring therapy with predictable demand and long product lifecycles. As several manufacturers step back from the space, we are doing the opposite. We are expanding our insulin platform portfolio, adding capacity and adding customers. ShailyPen Protean and ShailyPen Maxim give us reusable and disposable formats across the dosing range, and both saw capacity expansion during the year.

The reasoning is straightforward. Insulin gives us steady volume, efficient plant loading and healthy margins that are not tied to the timing or the fortunes of any single molecule. It is the ballast underneath our healthcare business. It is what allows us to pursue the GLP-1 opportunity with conviction rather than dependence, and it is what would carry us through any abrupt change in that market.

We are transitioning from a legacy detect-and-correct culture to a predict-and-prevent mindset. This is deepening our culture around zero-defect manufacturing, real-time compliance visibility, digital twins for customers and enhanced scalability with consistency.

We regard this as a competitive advantage, not a legacy position

India's emerging sectors: A widening opportunity set

India's manufacturing ecosystem is entering a new phase of capability-led growth.

Key sectors are converging on the same requirement. Semiconductors are building an indigenous fabrication and assembly-test ecosystem. Electric vehicles are shifting mobility towards electronics-led architectures. Aerospace and defence are localising high-technology manufacturing. Medical devices are moving to compliance-driven production for global markets. Consumer electronics are becoming connected and increasingly intelligent, supported by India's expanding manufacturing base and rising domestic demand.

Each of these sectors requires the same four capabilities: advanced materials, precision engineering, regulatory discipline and scalable manufacturing. These are precisely the capabilities Shaily has spent two decades building.

This trend aligns directly with Shaily's core competencies.

Right place. Right time. Right capability.

Shaily serves the inevitable.

As products become more complex, as healthcare becomes device-driven, as supply chains globalise and as India's role expands, the demand for precision manufacturing will not just grow—it will intensify.

Independent industry estimates indicate that the global precision manufacturing market will more than double over the next decade. As a company that is not building for today's demand but for tomorrow's complexity, Shaily is attractively placed to capitalise.

Where our innovation is going

Our development effort is directed at three things.

The first is closed-loop delivery. The natural next step in self-administration is a device that senses as well as delivers. Combining continuous sensing with controlled drug delivery in a single wearable platform is a hard problem across materials, miniaturisation, electronics, software and regulatory approval, and there are very few organisations positioned to solve all of it. It is exactly the kind of problem this Company was built for, and a meaningful share of our development effort is directed there.

The second is niche, high-value therapies. Too much of our industry adapts an existing platform to whatever molecule arrives next. We would rather start from the therapy itself: what the patient has to do, how often, in what setting, with what dose accuracy and what margin for error, and then design the device to that requirement. Shaily Mira, our wearable auto-injector, and the eye-applicator platform commissioned during the year both came out of that approach. These are smaller volumes at higher value, and they are where engineering earns its price.

The third is sustainability, treated as an engineering problem rather than a reporting one. Reducing the material intensity of a device, designing for recyclability, and moving towards bio-based and recycled polymers without giving up a single dimensional tolerance is genuinely difficult. Our customers are being held to it. So, rightly, are we.

The next frontier: Intelligence and sustainability

Quality 4.0 is one of the most consequential initiatives at Shaily, taking the Company from inspection to prediction.

Quality 4.0 represents the integration of IoT-enabled manufacturing, real-time data analytics, predictive quality systems and digital traceability.

We are transitioning from a legacy detect-and-correct culture to a predict-and-prevent mindset.

This is deepening our culture around zero-defect manufacturing, real-time compliance

The Company's ambition is to build a global precision healthcare devices company, anchored in intellectual property, platform innovation, global manufacturing and enduring customer partnerships. Shaily is in advanced discussions with innovator pharmaceutical companies, targeting large-scale device contracts that can materially reshape our growth trajectory.

visibility, digital twins for customers and enhanced scalability with consistency.

Growing responsibly

At Shaily, we recognise that precision without sustainability will not be sufficient.

We are aligning with global ESG expectations through renewable energy integration, net water positive ambition, use of bio-polymers and recycled materials, and low-carbon manufacturing processes. Our objective is clear: the manufacture of zero-defect products with a near-zero environmental footprint.

Besides, Shaily is engaged in deepening its global manufacturing footprint. The Company's multi-shore strategy — India, UK, and Abu Dhabi — will enhance geographic diversification, supply chain resilience, regulatory proximity and customer trust.

Simultaneously, investments in deep-tech capabilities—including advanced materials like PEEK and Torlon— will ensure that we remain at the frontier of precision engineering.

Outlook: From participant to leader

Shaily stands at an inflection point.

The Company's annual revenue growth is expected to exceed 25% over the medium term.

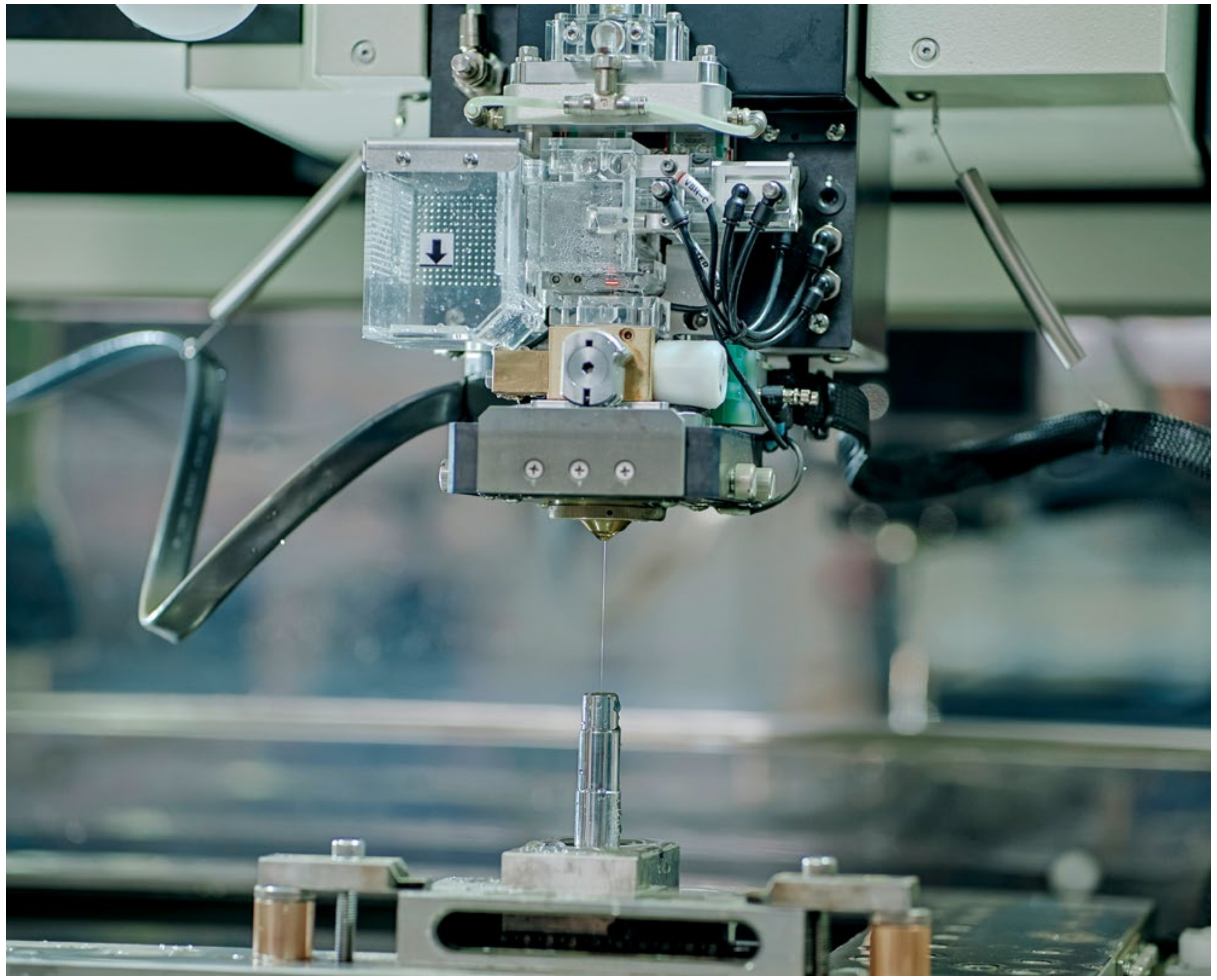
Healthcare is expected to account for more than 50% of Company revenue in the medium term.

The Company's EBITDA growth is expected to outpace revenue growth, strengthening an environment of profitable growth.

The Company will focus on ROCE expansion, enhancing stakeholder value.

The Company's ambition is to build a global precision healthcare devices company, anchored in intellectual property, platform innovation, global manufacturing and enduring customer partnerships.

Shaily is in advanced discussions with innovator pharmaceutical companies, targeting large-scale device contracts that can materially reshape our growth trajectory.



The organisation behind the numbers

None of this happens without the organisation, and the organisation is where I have spent most of my time this year.

We have deepened leadership in healthcare, engineering, quality and business development, and brought in specialist capability in the areas where we intend to compete. We have digitised how we plan, hire and develop people. As we add facilities and enter new industries, the constraint on Shaily will be capability and judgement long before it is capital, and we are building accordingly.

What I would not want us to lose as we grow is how we work. Shaily has never operated as a conventional corporate hierarchy. Problems here go to whoever can solve them, not through an organisation chart. Decisions are made close to the work, by the people doing it. A machine issue on the shop floor at midnight gets the same attention from senior management as a Board paper does. We are a large family of professionals, and I mean both halves of that: the standards are professional and uncompromising, and the relationships are personal. That combination is why we move faster than companies several times our size, and it is worth protecting deliberately as we scale.

To all 3,215 of my colleagues: this year's results are yours. You built the capability, you held the quality line through a very steep ramp-up, and you converted years of patient investment into performance that the market can now see. Thank you.

Closing

Shaily's patience in the past has helped build a foundation of credibility.

The Company's discipline of the present is delivering sustained outperformance.

The Company's ambition for the future will define its category.

Amit Sanghvi
Managing Director

Operational overview

From capacity to confidence

Overview

The global precision-manufacturing landscape underwent a marked realignment through the course of the last financial year. As multinational customers continued to diversify sourcing away from concentrated geographies, supply chains re-routed toward India across healthcare devices, consumer electronics and semiconductors - three sectors in which reliability, regulatory rigour and zero-defect tolerances mattered as much as cost.

This shift was not incidental. It reflected a structural re-weighting of global manufacturing footprints that played directly to the strengths the Company has spent years building. Against that backdrop, the task was to carry the business forward not merely by adding capacity, but by adding it in a way that was financially sustainable, capital-efficient and resilient to the cyclicality that has long characterised the legacy consumer business.

The Company validated the robustness of its business model through two new-economy wins - semiconductors and consumer electronics - even as it continued to scale up Healthcare. Together they signalled that the manufacturing discipline built over the years in pharmaceutical devices could be extended into adjacent, high-value frontiers.

The year was one of profitable growth. Revenues grew 25.91% year-on-year to ₹990.67 Cr, EBITDA grew 61.28% to ₹287.7 Cr, and PAT grew 82.5% to ₹170 Cr. EBITDA margin expanded 630 basis points to 29.0%, while PAT margin was up 540 basis points to 17.2% - sizeable improvements to achieve within the span of a single year. Capital efficiency improved in step: ROCE stood at 35.8%, up from 24.4%, and ROE at 26.9%, up from 18.5%, both representing decisive outcomes rather than incremental gains. Debt-equity improved to 0.3x from 0.4x, indicating that as the business grew, it was increasingly financed by its own net worth rather than by leverage.

Big message

This growth came even as the volume of polymers processed declined 4% year-on-year, to 23,944 MT from 24,932 MT - clear evidence of a shift toward higher-value output per unit of material, rather than growth led by volume. Taken together, these numbers formed the financial signature of a company that moved from capacity creation to capacity monetisation and capital sophistication.

Three-year trend

Viewed over three years, the trend lines told an unusual story: the Company's percentage growth accelerated even as its base grew larger, a pattern that ran counter to the ordinary arithmetic of scale, where growth rates typically moderate as the denominator expands. Revenue growth rose from 6.06% in FY 23-24 to 22.20% in FY 24-25 and 25.91% in FY 25-26. EBITDA growth accelerated even faster, from 28.04% to 44.52% to 61.28% over the same period, while PAT growth held above 60% for three consecutive years before climbing further to 82.5% in FY 25-26.

Return on Capital Employed effectively doubled in the space of just two years, from 17.70% in FY 23-24 to 35.80% in FY 25-26 - a trajectory that marked the Company's arrival at a genuine inflection point, where each incremental rupee of capital employed was generating a materially higher return than it had two years earlier. Return on Equity followed a similar arc, moving from 13.30% to 26.90% over the same window, reinforcing that the improvement was structural and broad-based rather than the product of any single year's outperformance.

Year	FY 24	FY 25	FY 26
Revenue growth (%)	6.0	22.2	25.91
EBITDA growth (%)	28.0	44.5	61.28
PAT growth (%)	62.9	62.5	82.5
Cash profit (₹ Cr)	92.9	135.3	219.1
Return on Capital Employed (%)	17.7	24.4	35.8
Return on Equity (%)	13.3	18.5	26.9

Healthcare: Financial and operational proof points

The single biggest gain of the year came from the Healthcare business, and the reasons were structural rather than seasonal. The global rise of GLP-1 therapies - Semaglutide foremost among them - for diabetes and weight management had created an unprecedented surge in demand for self-injection devices, at a moment when very few manufacturers worldwide combined the regulatory filings, precision tolerances and manufacturing scale needed to serve this demand reliably. The Company's early investment in regulatory filings supported its customers in securing four of the first Semaglutide approvals in Canada, with each of these customers using a Shaily device, providing an early commercial advantage in the market. Healthcare devices also carried an inherent structural advantage over the Company's legacy businesses: once a device was qualified against a regulatory filing, switching away from that supplier became costly and slow for the customer, which made the relationship sticky and the margins defensible. It was this combination of a fast-growing end market and a high entry barrier that made Healthcare the Company's clearest growth engine.

Healthcare revenue grew 139% to ₹393 Cr and now accounted for 40% of consolidated revenue, up from 21% in FY 24-25. Momentum built through the year: fourth-quarter healthcare revenue doubled year-on-year, to ₹113 Cr from ₹56 Cr. The Company held roughly a 70% share among the first six Semaglutide device filers in Canada, and both pharma customers with Canada approval used Shaily devices. Full-year pen volumes came in at approximately 23.3 to 23.5 million devices, modestly below the earlier guidance of 25 to 26 million - a gap driven by the pace of capacity ramp-up rather than any softness in underlying demand.

The Company secured a new order worth ₹423 Cr for pen injectors from a large domestic pharma company, with supply spread over four years; the customer's identity remained under a non-disclosure agreement. No direct agreements had yet been signed with GLP-1 originator or innovator companies - this remained an open opportunity rather than a booked one, and one the Company continued to pursue. Alongside this, the Company reinvested in its growth foundation, launching

Shaily Axiom Max, a fixed-dose pen, in the second quarter of FY 25-26; it now took its place within a four-platform portfolio alongside Neo, Harmony and Toby. To take the business ahead, the Company appointed Mr Joe Kam as Chief Operating Officer, Healthcare, bringing over twenty years of global manufacturing and operations leadership experience to drive this vertical's growth.

Healthcare: Capacity build-out

This expansion was specific to the Company's GLP-1 pen-injector manufacturing lines within the Healthcare vertical. A 25 million-unit line was commissioned in March 2026 and was running at approximately 45% operational efficiency, or 34 to 35 parts per minute against an 80 parts-per-minute rated line - a ramp-up curve the Company managed with discipline, as reflected in the rejection rate, which was cut sharply from approximately 30% to approximately 8%. A second 25 million-unit line was due online between July and August 2026, dedicated to Semaglutide. The target was for both lines to reach 65 to 67 parts per minute by year-end, giving a combined capacity of approximately 40 to 42 million pens.

Looking ahead, the Company expects to produce approximately 36 million pens in FY 26-27 and approximately 50 million the year after, with a medium-term range of 40 to 60 million pens over the following 30 months as insulin and other platforms, including Tristan and Toby, come into supply. Nineteen new machines were installed in the second quarter of FY 25-26 as part of the broader plant expansion supporting this ramp-up. The investment-to-commissioning cycle for new lines had lengthened from approximately 12 months to 18 to 24 months, reflecting the complexity of the equipment involved and a limited pool of global suppliers. The entry barrier this created was itself quantifiable: adding a device to an existing regulatory filing, such as in Canada, cost 70 to 80% of the original ₹100-150 Cr development programme and took 24 to 36 months - the moat that underwrote the economics of the entire Healthcare business.

Diversified healthcare platforms beyond GLP-1

Growth was not confined to Semaglutide. Neo, a spring-driven pen; Toby, a two-step auto-injector; and Protean, an insulin pen, all reported capacity expansions through the year. Only a small portion of the original 30 million-unit capacity was allocated to Semaglutide, with the remainder supporting insulin, Teriparatide and auto-injectors. This breadth of platforms provided a stable, diversified revenue base that sat alongside - and reduced the Company's dependence on - the Semaglutide opportunity alone.

Consumer electronics and semiconductors: Building the next growth engine

FY 25-26 marked the Company's decisive entry into two new precision-manufacturing frontiers, validating that its zero-defect, high-tolerance manufacturing edge travelled well beyond healthcare devices. The rationale for both moves was rooted in the same global shift described at the outset: as manufacturers sought to diversify beyond a single geography under a China Plus One framework, and as India's own policy architecture - including production-linked incentives for electronics and semiconductor assembly and test - began to mature, a credible domestic supply base for high-tolerance components became a genuine competitive requirement rather than a contingency plan. Rather than build a new capability from first principles, the Company was extending a capability it already possessed into two adjacent markets of considerable scale.

Consumer electronics: From qualification to commercial supply

Commercial supplies commenced with a consumer electronics customer in the fourth quarter of FY 25-26, following several quarters of preparation and qualification. This made the Company an active participant in the consumer electronics precision-component ecosystem, a space characterised by high complexity, tight tolerances and few qualified global players. The margin trajectory here was expected to be scale-dependent: overheads would stay elevated until a critical volume threshold was crossed, in a pattern similar to the one the Company had historically experienced in home furnishings. Margins improve materially beyond roughly 15 to 20 million units. The Company is evaluating a dedicated plant in South India, with estimated initial capital expenditure of approximately ₹100 Cr, and is recruiting for deep technical and engineering expertise rather than organisational scale, with hiring beginning in the first quarter of FY 26-27. Alongside Healthcare, consumer electronics was rated as the largest addressable opportunity for the Company over the next five years, given the sheer size of the global consumer electronics market.

Semiconductors: Entering the supply chain

The Company signed a supply agreement with a Korean company for the manufacture and supply of semiconductor trays, marking its formal entry into India's semiconductor supply chain. The move was strategically timed to India's emergence as an alternative manufacturing destination under the China Plus One framework, with commercial supplies expected to begin in the fourth quarter of FY 26-27. Initial volumes were set to serve OSAT (assembly and test) players in India, with

the opportunity extending to fab players as India's domestic fab ecosystem matured, and with some export potential to the same customer beyond India. The product itself - conductive plastic trays - was technically demanding despite its apparent simplicity, and it was this technical competence that proved the deciding factor in winning business. The Company is the customer's intended sole manufacturing partner in India.

The nature of demand here was distinct and, in its own way, reassuring: high-volume, recurring, consumable-style demand that represented a day-to-day operational requirement for chip plants rather than a one-time capital good, giving it a steadier character despite modest unit values. Established tray manufacturers in Korea, China and the Philippines may in time localise in India. Our view is that once a supplier is qualified for a daily-use consumable, switching costs and reliability considerations make displacement unlikely. We monitor this rather than assume it.

Together, these two businesses answered a question the Company had long put to itself: whether its manufacturing discipline could scale beyond pharma. FY 25-26 delivered the first proof points, and both businesses reduce the Company's historical dependence on the home-furnishings cycle.

Shaily was honoured as the Best Exporter of Engineering Components of Plastics by The Plastics Export Promotion Council (PLEXCONCIL) for FY 24 and FY 25 - marking the 21st consecutive year of recognition.

Shaily received an award for "TOP 50 INNOVATIVE COMPANIES" from the Confederation of Indian Industry (CII)

Segment performance: Consumer and industrial

The Consumer segment remained the Company's founding business, and its continued presence in the portfolio was deliberate rather than incidental: it was this business that had built the export relationships across Europe and the United States, the manufacturing scale, and the cash generation that funded the Company's diversification into Healthcare and, more recently, into consumer electronics and semiconductors. The Industrial segment, meanwhile, drew on the same precision-plastics capability to serve power tools and LED lighting applications, offering a second, smaller engine of diversification that further insulated the overall portfolio from cyclicality in any single end market. Together, Consumer and Industrial continued to anchor the base of the business even as Healthcare, consumer electronics and semiconductors drove its incremental growth.

Our consumer segment revenue declined 9% to ₹511 Cr, driven by weaker home-furnishings demand across Europe and the United States - the segment's two largest export markets - along with some fourth-quarter order cancellations in the Middle East linked to regional conflict. Recovery was expected in step with the broader global demand environment, and new customer programmes continued to be added through the year. The Industrial segment, by contrast, grew 41% to ₹87 Cr, driven by new business wins in power tools and LED lighting components - a reflection of the increasing application complexity the Company was being trusted with.

Operational efficiency

The Company's approach to capital deployment rested on a simple but disciplined philosophy: invest in the right equipment and then sweat that equipment to the maximum before committing further capex. Capacity, in this view, was not an end in itself but a means to be fully utilised before it was expanded. This discipline showed clearly in the numbers - machine utilisation improved to 47.6% in FY 25-26, up from 42.2% the prior year, a meaningful gain achieved without commensurate new capital expenditure. The capital efficiency this generated flowed directly into the improvement seen in ROCE and ROE over the year, and it was a template the Company intended to carry forward as its newer lines, in Healthcare and in consumer electronics, came online: install the right equipment first, and extract its full value before adding more.

Revenue mix

The Company's revenue mix changed materially over the last two years, and that change is the clearest explanation for the improvement in margins, profitability and capital efficiency described above. Two years ago, in FY 23-24, the Consumer segment accounted for 75% of revenue, with Healthcare and Industrial together making up the remaining quarter. By FY 25-26, Healthcare's share had risen to roughly 40% of revenue, with Consumer's share correspondingly reduced to 51% and Industrial holding at approximately 9%. Because Healthcare carried structurally higher margins and higher capital efficiency than the legacy Consumer business, this shift in mix - rather than any single one-off event - was the underlying driver of the margin expansion, profit growth and capital-efficiency gains the Company reported for the year.

Year	FY 24	FY 25	FY 26
% of revenue - Healthcare segment	17	21	40
% of revenue - Industrial segment	9	8	9
% of revenue - Consumer segment	75	71	51

Cash flow management

Cash flow quality remained robust during the year under review, underscoring the strength and sustainability of the Company's earnings.

Year	FY 24	FY 25	FY 26
Cash flow from operations / Total revenue (%)	14.2	13.9	22.6
Cash flow from operations / EBITDA (%)	72.9	61.7	78.5
Cash flow from operations / PAT (%)	157.1	118.2	132.8

Export mix

Export revenue mix moderated to 69.32% in FY 25-26 from 77.8% in FY 24-25 - 57.1% against 79.9% in the fourth quarter alone - with domestic revenue share correspondingly rising to 32.0% from 22.2%. This was a reflection of the domestic pen-injector and pharma order wins gaining share within the Company's overall growth, and not a weakening of its export franchise, which continued to grow in absolute terms even as the faster-growing domestic Healthcare business gained a larger share of the total.

Year	FY 24	FY 25	FY 26
% of revenue - within India	26.10	22.2	32.0
% of revenue - outside India	73.90	77.8	68.0

Prudent financial management

The Company's growth over the year was built on a robust financial foundation. CARE reaffirmed the Company's long-term rating of A+, with a Stable outlook, and its short-term rating of A1, as of 30th September 2025 - a continuity of the FY 24-25 upgrade rather than a one-off event. The debt-equity ratio improved to 0.3x from 0.4x, while fixed asset turnover held steady at 1.7x as at 31st March 2026.

The Board approved an enabling resolution to raise up to ₹500 Cr, to be executed, if triggered, through permissible modes such as a qualified institutions placement, preferential issue, rights issue or private placement. The resolution is a standing annual mechanism, not a signal of an imminent issue. Rather, it was intended as an annual, standing mechanism to keep the Company capital-ready for large, time-sensitive, capital-intensive opportunities that could not be serviced from our existing capacities in India or Abu Dhabi.

Year	FY 24	FY 25	FY 26
Net cash positive (₹ Cr)	22.22	19.08	20.7
Debt-equity ratio	0.5	0.4	0.3
Interest cover ratio (times)	6.90	10.53	18.13
Current ratio (x)	1.17	1.22	1.25

Strengthening global presence

Among the most decisive developments of the year was the strengthening of the Company's global healthcare footprint. The UK subsidiary, Shaily Innovations, shifted towards longer-term, multi-year, milestone-based engagements and next-generation drug-delivery devices, moving beyond pens and auto-injectors alone. Because these contracts are milestone-based, UK revenue and margin recognition is uneven between quarters. Performance is best assessed on a combined UK and UAE basis, and year-on-year rather than quarter-on-quarter.

The rationale for the new Abu Dhabi facility rested on three considerations: lower operational costs, an easier supply chain, and better access to international talent than was available in Baroda. The facility remains on track. Some of the built-in schedule buffer was absorbed by short-term geopolitical friction, with no change to the Company's plans. This global expansion was particularly relevant given Healthcare's near-100% annual growth and the increasing competition for specialised expatriate talent that such growth entailed.

Outlook

The Company enters FY 26-27 from a position of strength. Capacity is being added to a defined timeline, and Balance Sheet strength allows the Company to act on time-sensitive opportunities without financial strain. Healthcare carries clear momentum into the year, the Industrial business continues to win work of rising complexity, and the Consumer business retains the customer base and manufacturing scale to participate as global demand recovers. Most significantly, consumer electronics and semiconductors moved from intent to revenue during FY 25-26. That, more than any single number, measures the distance the Company travelled over the year.

Sanjay Shah
Chief Strategy Officer

Building tomorrow's growth engines

Three high-value businesses. One precision manufacturing platform.

Healthcare	Consumer electronics	Semiconductors
▪ Revenue up 139% YoY ▪ Contributed 40% of FY 25-26 revenue ▪ Expanded pen injector capacity ▪ Strengthened global customer base	▪ Secured approvals from leading global OEMs ▪ Commenced commercial supplies ▪ Scaling production through the South India facility ▪ This capability translated into two new consumer electronics business wins during FY 25-26.	▪ Entered the semiconductor packaging ecosystem ▪ Partnered with a leading Korean technology provider ▪ Developing precision trays for global semiconductor customers

Semiconductor value chain

Strengthening capabilities across the semiconductor packaging value chain.

Technology partner
Strategic collaboration with a leading Korean technology partner

Precision trays
Manufacturing high-performance semiconductor trays

OSAT
Supplying solutions for outsourced assembly and testing

Semiconductor fabs
Supporting advanced semiconductor manufacturing

Global markets
Positioned to address growing export opportunities

Our value creation engine

Combining engineering, manufacturing and customer partnerships to drive sustainable growth.

Value creation

Overview

At Shaily Engineering Plastics, value creation begins with the ability to translate engineering expertise into precision manufactured products that address critical customer requirements. Our capabilities span product development, tooling, injection moulding, automation, assembly and lifecycle support, enabling us to participate across the value chain rather than operate as a conventional component manufacturer.

Over the years, we have built relationships with global customers across healthcare, consumer and industrial applications. Our manufacturing platform combines scale with process discipline, while our engineering and R&D capabilities enable us to address increasingly complex applications.

FY 25-26 demonstrated the strength of this model. Consolidated revenue increased 25.91% to ₹990.67 Cr, while EBITDA increased 61.28% to ₹287.7 Cr. EBITDA margin expanded to 29.0% from 22.7%, reflecting a stronger business mix, operating leverage and improved manufacturing efficiency.

Our value creation model is built around five connected capabilities:

Deep customer partnerships: We work closely with customers from product development to commercial production, delivering solutions built around performance, quality and cost. During FY 25-26, we secured new programmes across healthcare, consumer and industrial applications, including pen injectors, power tools, LED lighting and semiconductor trays.

Engineering and innovation: Our engineering, tooling, automation and R&D capabilities enable precision manufacturing and faster product development. During FY 25-26, we expanded our healthcare portfolio through new pen injector programmes and the commercial launch of Shaily Harmony and Shaily Neo pens.

Manufacturing at scale: Our manufacturing platform combines scale, automation and process discipline to deliver consistent, high-quality output. During FY 25-26, 19 new machines were installed as part of the healthcare plant expansion, strengthening capacity for future programmes.

Diversified applications: Our portfolio spans Healthcare, Consumer and Industrial applications, providing diversification and multiple growth avenues. During FY 25-26, we expanded into new opportunities including semiconductor trays, power tools and LED lighting.

Responsible manufacturing: We embed resource efficiency, waste reduction, safe operations and responsible material use across our manufacturing processes. These practices support operational efficiency while helping customers meet evolving sustainability requirements.

A diverse portfolio

Healthcare: We manufacture precision plastic components and assemblies for regulated healthcare and pharmaceutical applications. Our capabilities include drug delivery devices, platform devices and pharmaceutical packaging, supported by dedicated clean-room manufacturing capabilities.

The healthcare business gained significant momentum during FY 25-26. Two new customers were onboarded in the GLP-1 segment, while multiple contracts were signed for pen injectors. Shaily Harmony and Shaily Neo pens also reached commercial launch with multiple customers.

Consumer: We manufacture engineered plastic components and finished products for home furnishings, FMCG packaging, appliances, toys and other consumer applications. Our engagement with customers extends from product development to tooling, manufacturing and supply. This enables us to combine aesthetics, functionality, durability and cost efficiency.

While consumer demand remained challenging in some international markets during FY 25-26, the business continued to secure new programmes, including five new projects with three home furnishing customers and additional business from an existing customer.

Industrial: Our industrial portfolio comprises automotive components, high-performance engineering components, LED lighting applications and other precision-intensive products. These applications require dimensional accuracy, repeatability and material performance. Our engineering and moulding capabilities enable us to support customers across development and commercial production.

During FY 25-26, we added new business in power tool components and LED lighting applications and confirmed new business with an automotive customer.

Emerging applications: Our capabilities are increasingly being applied to new precision manufacturing opportunities. The agreement with a Korean technology partner to manufacture conductive chip trays takes us into the semiconductor supply chain, and commercial supply of precision internal components to a consumer electronics customer began during the year. Both demonstrate that our engineering and manufacturing discipline transfers beyond our established end markets. This expands our opportunity set beyond our established end markets and demonstrates the transferability of our engineering and manufacturing capabilities.

How we intend to generate sustainable value

BUILD	CREATE	SUSTAIN
Customer partnerships: Deeper relationships	**Engineering investment:** Differentiated solutions	**Cash generation:** Financial resilience
Healthcare expansion: Higher-value applications	**Customer-led growth:** Recurring business	**Stakeholder returns:** Shared value
Manufacturing competitiveness: Scale and efficiency	**Operating leverage:** Stronger profitability	
Adjacency expansion: New markets and opportunities	**Capital efficiency:** Better returns	

How we create and share value

Reinvestment in the business: During FY 25-26, Shaily continued to invest in capacity, technology and people to support the next phase of growth. The Company added manufacturing capacity through new machines, strengthened its healthcare leadership platform and expanded its capabilities across new applications. The healthcare plant expansion included the successful installation of 19 new machines, while customer-supplied plant and machinery was installed for eye applicator manufacturing. These investments are intended to create capacity ahead of demand, strengthen execution capability and support the transition towards higher-value, technology-intensive applications.

Disciplined capital allocation: Our capital allocation approach balances growth investment with financial resilience. We prioritise investments that strengthen customer relationships, expand addressable markets, increase manufacturing capability or improve operating efficiency. As the business scales, we will continue to evaluate capital deployment through the lens of long-term value creation and returns.

FY 25-26 reflected this approach, with investment in property, plant and equipment increasing the consolidated PP&E base to ₹574.0 Cr from ₹459.1 Cr.

Shareholder value: Our objective is to create sustainable shareholder value through profitable growth, improving returns on capital and disciplined balance sheet management. During FY 25-26, consolidated RoCE increased to 35.8% from 24.4%, while RoE increased to 26.9% from 18.5%. Total debt to equity improved from 0.4x to 0.3x.

Risk management

Managing risk and building a deeper organisational resilience

Our approach to risk

Our business operates across regulated healthcare markets, global supply chains and rapidly evolving manufacturing technologies. Risk management forms an integral part of how we plan, invest and operate. Our approach is built around preventive and corrective action — identifying risks before they materialise, and responding decisively when they do.

We identify risks early, assess their potential impact, assign accountability and monitor mitigation actions through structured governance mechanisms. Our risk management strategies are defined by management and duly approved by the Board, and are reviewed every half year to reflect the latest developments in our business and operating environment.

The objective is not only to protect the business from downside risks, but also to support informed decisions around growth, investment, technology and market expansion.

Our risk management approach focuses on four stages:

Risk identification: Identify existing, emerging and interconnected risks across businesses and functions.

Risk assessment and prioritisation: Evaluate risks based on their potential impact, likelihood, velocity and relevance to strategic objectives.

Control strategy: Define mitigation measures, controls, ownership and monitoring mechanisms.

Management action and reporting: Track mitigation progress, escalate material risks and report outcomes through appropriate governance forums.

Our risk management framework

Risk management is embedded within our strategy and operating processes. The framework combines top-down oversight with bottom-up risk identification. Board and management perspectives are complemented by inputs from business units, functional teams, internal audit, external developments and regulatory requirements.

Top-down

- Board and Board Committees
- Executive Management
- Strategic reviews
- Enterprise risk assessment

Bottom-up

- Business units
- Functional teams
- Risk owners
- Operational control reviews
- Ongoing risk assessments

Internal inputs

- Business performance data
- Strategic priorities
- Internal audit observations
- Operational incidents
- Control assessments

External inputs

- Regulatory developments
- Customer requirements
- Industry trends
- Supplier and supply chain developments
- External audit observations

Risk management governance

Board: The Board provides overall oversight of the Company's risk management framework and ensures that risks are considered in the context of strategic objectives, financial resilience and long-term value creation.

Audit Committee: The Audit Committee oversees financial reporting, internal controls, audit findings and compliance-related matters. It also reviews the effectiveness of systems designed to identify and manage material risks.

Risk Management Committee: The Risk Management Committee (RMC) comprises Board members with rich experience across their respective domains and corporate governance. The RMC meets every half year, reviewing developments in the business and assessing whether any change in strategic direction is warranted. It provides oversight of the enterprise risk framework, monitors significant risks and reviews the effectiveness of mitigation measures.

Executive Management: Executive Management translates the Company's risk appetite into operating actions. Senior leaders are responsible for ensuring that material risks within their areas are identified, assessed and appropriately mitigated.

Business units and functions: Risk ownership is embedded within day-to-day operations. Business and functional teams identify operational risks, maintain controls and implement corrective actions.

Internal Audit: Internal Audit provides independent assurance on the effectiveness of internal controls, governance and risk management processes.

Environment, Health and Safety: The EHS framework addresses workplace safety, environmental compliance and operational risks associated with manufacturing activities.

Risk governance

The Board provides overall oversight of the Company's risk profile and ensures that risk considerations remain aligned with strategic priorities. Management and designated risk owners review key risks through structured forums, with material matters escalated to the appropriate governance committees.

The Company has defined processes, policies, and checks and balances relating to risk across production, sales, HR, IT, business, safety, quality and compliance functions. Approximately half of these risk controls are currently automated to enhance responsiveness, and the Company is in the process of implementing a new compliance management software tool to further strengthen automated control.

The framework combines enterprise-level oversight with operational-level monitoring. This two-way flow of information allows emerging issues to be identified closer to their source while ensuring that material risks receive appropriate senior management and Board attention. Risk management therefore remains an ongoing management discipline rather than a periodic compliance exercise.

Assessing risk

We operate in an environment shaped by changing customer requirements, global supply chain conditions, regulatory expectations, technological developments and evolving end markets.

Our risk assessment process considers existing and emerging risks. It evaluates the potential impact and likelihood of risks and identifies the controls and mitigation measures required to manage them. Identified risks are categorised by severity — Category A, B and C — with de-risking strategies applied according to each risk's category, ensuring that mitigation effort is proportionate to potential impact.

The assessment is complemented by management reviews, functional inputs, internal audit observations and horizon scanning. Principal risks are monitored through designated ownership and governance forums. Where risk exposure moves beyond defined tolerance levels, management actions are initiated to reduce exposure and protect business continuity.

Our principal risks

Our principal risks represent those matters that could materially affect our performance, reputation, operations or long-term business model. The risk landscape continues to evolve as Shaily expands into healthcare, GLP-1 drug delivery, semiconductor applications and other precision-intensive markets. Accordingly, our risk framework considers established enterprise risks — spanning IT, business, safety, quality and compliance — and risks associated with our growth strategy.

The Company has defined processes, policies, and checks and balances relating to risk across production, sales, HR, IT, business, safety, quality and compliance functions. Approximately half of these risk controls are currently automated to enhance responsiveness, and the Company is in the process of implementing a new compliance management software tool to further strengthen automated control.

Principal risk	Description	Mitigation
Customer concentration and growth	Dependence on large customers or programmes could increase concentration and affect our revenue visibility if customer demand changes.	Broaden the customer base, increase wallet share, develop new applications and diversify end markets.
Healthcare regulatory and compliance	Failure to meet stringent healthcare, pharmaceutical or customer quality requirements could affect our product approvals, contracts and reputation.	Strong quality systems, controlled manufacturing environments, audits, training, validation and regulatory compliance.
Supply chain resilience	Disruptions in polymer availability, logistics, supplier capacity or input costs could affect production and margins.	Supplier diversification, inventory planning, procurement discipline and proactive supply chain monitoring.
Technology and innovation	Failure to keep pace with product, material, tooling or automation requirements could weaken competitiveness.	Continued investment in engineering, R&D, tooling, automation and new manufacturing technologies.
Capacity and execution	Rapid business growth could place a pressure on capacity, programme execution and operational resources.	Planned capacity expansion, automation, process controls, experienced teams and structured programme management.
People and capability	Growth in complex and regulated applications increases the need for specialised engineering, manufacturing and quality capabilities.	Leadership development, technical training, talent acquisition, succession planning and employee engagement.
Cybersecurity and digital resilience	Increasing the digitalisation of manufacturing and business processes creates an exposure to cyber incidents and technology disruption.	Access controls, cybersecurity measures, monitoring, backups, business continuity planning, employee awareness and phased rollout of an enhanced compliance management tool.
ESG and sustainability	Changing customer expectations and regulatory requirements could increase the need for sustainable materials, energy efficiency and emissions management.	Resource efficiency, recycling, responsible material selection, energy management and ESG oversight.

Our viability statement

The Directors have assessed the Company's viability by considering its business model, strategy, financial position, principal risks, liquidity, cash generation and access to funding.

The assessment considers the Company's ability to sustain operations, meet its financial obligations and continue investing in its strategic priorities over the medium term.

The Directors considered a range of factors, including revenue and profitability prospects, operating cash flows, capital expenditure requirements, debt obligations, liquidity and the resilience of the Company's business model.

The assessment also considered the potential impact of severe but plausible scenarios involving demand weakness, supply chain disruption, regulatory or product quality events, financial and currency volatility, cybersecurity incidents and operational disruption.

The Company's diversified customer base, expanding healthcare platform, established manufacturing capabilities and access to liquidity provide resilience against individual adverse events.

Management has identified mitigating actions that could be implemented under stressed conditions, including prioritisation and phasing of capital expenditure, optimisation of operating costs, working capital measures and other actions within management's control.

Based on this assessment, the Directors possess a reasonable expectation that the Company will remain viable over the assessment period and will be able to continue its operations and meet its liabilities as they fall due.

Scenario modelled	Potential impact	Mitigation
Scenario 1: Manufacturing disruption and supply chain stress A significant disruption at a manufacturing facility, combined with supply chain constraints or logistics interruptions, could reduce production capacity and delay customer deliveries.	▪ Lower production volumes ▪ Delayed order fulfilment ▪ Higher logistics and alternate production costs ▪ Pressure on operating margins	▪ Multi-facility manufacturing footprint ▪ Capacity planning ▪ Supplier diversification ▪ Inventory management ▪ Business continuity planning
Scenario 2: Slower global demand A prolonged slowdown across consumer, industrial or other end markets could reduce customer volumes and delay new programme ramp-ups.	▪ Lower capacity utilisation ▪ Slower revenue growth ▪ Pricing pressure ▪ Delayed customer programmes	▪ Diversification across healthcare, consumer and industrial markets ▪ Focus on regulated and technology-intensive applications ▪ New customer acquisition ▪ Expansion into emerging applications
Scenario 3: Financial and currency volatility Changes in interest rates, foreign exchange rates, commodity prices or access to funding could affect costs and cash flows.	▪ Higher financing costs ▪ Increased input costs ▪ Foreign exchange volatility ▪ Margin pressure	▪ Balance Sheet discipline ▪ Working capital management ▪ Procurement optimisation ▪ Monitoring of currency exposure ▪ Disciplined capital allocation
Scenario 4: Product quality or regulatory event A significant quality or compliance event, particularly in regulated healthcare applications, could affect customer confidence, product approvals and commercial relationships.	▪ Product recall or remediation costs ▪ Regulatory action ▪ Delayed customer programmes ▪ Reputational impact	▪ Quality management systems ▪ Validated processes ▪ Controlled manufacturing environments ▪ Regulatory compliance ▪ Employee training ▪ Continuous monitoring and corrective action

Independent Directors' assessment

From left to right: Mr. Samaresh Parida, Ms. Sangeeta Singh, Dr. Shailesh Ayyangar and Mr. Ranjit Singh

During FY 25–26, the Independent Directors of Shaily Engineering Plastics Limited actively participated in the meetings of the Board and its Committees and maintained regular engagement with the Management and Auditors of the Company.

The Independent Directors maintained a 100% attendance at all Board and Committee meetings during the year, reflecting their strong commitment to the Company's governance and affairs.

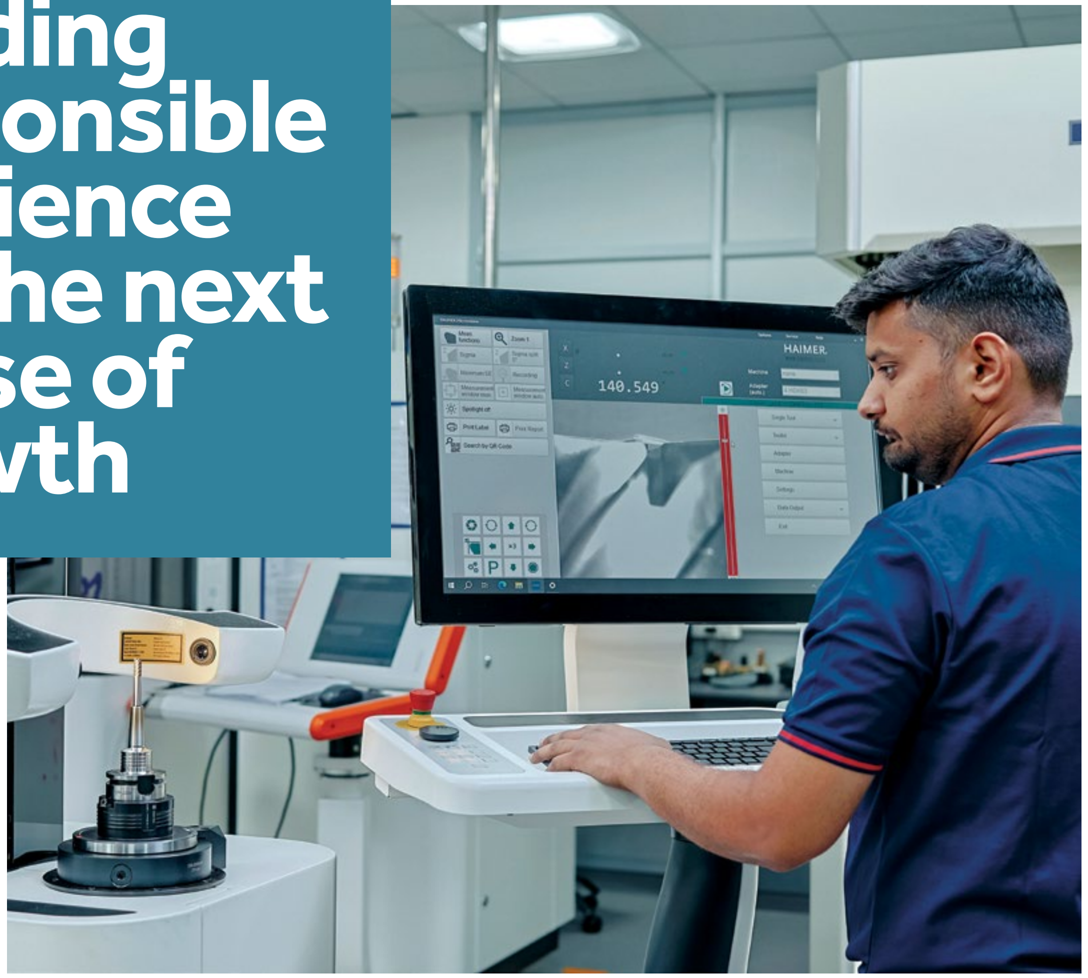
The Board received timely, comprehensive and transparent information from the Management, with adequate time for deliberation and discussion on matters placed before it. The Independent Directors contributed actively to discussions on strategy, business performance, risk management, compliance and other matters of significance, providing guidance and constructive challenge to our Management with a focus on strengthening operational effectiveness, governance and compliance.

The Independent Directors' diverse experience and expertise in corporate governance and relevant business areas enabled them to provide valuable guidance and mentorship to the Management. Throughout the year, our Management proactively sought their perspectives on matters requiring their experience and expertise and gave due consideration to their suggestions and recommendations.

The Independent Directors are pleased to note the Company's continued focus on product quality, customer centricity, employee engagement, compliance and high standards of corporate governance. The Board remains confident that these principles will continue to underpin Shaily's sustainable growth and long-term value creation.

ESG

Building responsible resilience for the next phase of growth



Overview

In engineering plastics, ESG is closely tied to the fundamentals of how we manufacture.
The sector relies on energy-intensive equipment, water, polymers, chemicals and other critical inputs, while customers increasingly expect suppliers to use resources responsibly, maintain consistent quality, operate safely and uphold strong compliance standards.

For Shaily, that responsibility is even greater given our presence across healthcare, consumer and industrial applications - markets where reliability, quality and compliance are essential to long-term customer trust. ESG, therefore, is about more than reducing our environmental footprint. It is about how we use resources, protect our people, develop better products, manage risks, uphold quality, serve our customers and invest with a long-term view. Ultimately, it reflects how responsibly we build the business for today and how confidently we prepare it for tomorrow.

Scorecard

100%
Renewable energy sourced for operations

1.3 MW
Rooftop solar installation

Zero
Landfill status maintained

450
Number of trees planted across Rania and Halol over two years

49
% Polymer recycled

145.04
₹ Cr, Salaries, FY 25-26

433.13
₹ Cr, Purchases, FY 25-26

#1 Our environment commitment

Overview

At Shaily, we are cognisant of the fact that the engineered plastics industry significantly impacts the environment, being carbon-, water- and energy-intensive. Electricity powers injection-moulding equipment and utilities, water supports process and cooling requirements, and polymers and other materials form the basis of production — manufacturing also generates scrap, wastewater, emissions and other residual impacts.

Our environmental approach is therefore centred on using resources more efficiently, preventing impacts at source and recovering value wherever possible — conserving inputs, preventing impact at source, recovering value wherever feasible, and responsibly managing what remains. Our Environmental Management System, aligned with ISO 14001:2015 requirements, provides a structured framework for environmental monitoring, risk assessment, compliance, employee awareness and continual improvement.

Environmental initiatives

Water stewardship

- Reduced dependence on freshwater and groundwater by increasing the use of surface water, low-TDS water, rainwater harvesting, recycling and reuse.
- Recycled RO reject water and treated wastewater for non-process applications, improving overall water efficiency.
- Enhanced water conservation through process optimisation, water-efficient fixtures, leaks prevention and a regular monitoring of consumption and process efficiency.

Energy and climate

- Improved energy efficiency through technology upgrades, process optimisation and stronger energy monitoring.
- Adopted Variable Frequency Drives (VFDs) to optimise equipment and utility consumption.
- Deployed servo-driven machinery and increased the use of all-electric machines to improve operating efficiency.
- Installed sensor-based LED lighting to reduce electricity consumption.
- Optimised manufacturing processes to minimise avoidable energy use and improve consumption visibility.
- Increased renewable energy adoption, with 100% of the power used in our operations derived from renewable sources.

Pollution prevention

- Managed air through ventilation, scrubbers, equipment maintenance and ambient air-quality monitoring.
- Treated through ETP/STP systems, with reuse and monitoring against applicable requirements.
- Segregated plastic and process waste for recycling, reuse and recovery.
- Handled waste through authorised recyclers and disposal agencies.
- Controlled noise through acoustic enclosures, preventive maintenance and periodic monitoring.

Waste

- Followed a reduce, reuse, recycle and recover approach across operations.
- Recycled or reused plastic scrap generated during manufacturing within processes wherever feasible.
- Optimised packaging materials to minimise waste generation.
- Increased the use of recycled and bio-based materials, wherever feasible, to support resource circularity.
- Managed residual waste through appropriate recovery, recycling and authorised disposal channels.

Highlights, FY 25-26

- Commissioned a 1.3 MW rooftop solar installation, strengthening our renewable-energy infrastructure.
- Expanded the sewage treatment plant at Rania from 10 KL to 50 KL capacity — a 5x increase — with treated water reused for landscaping and greenbelt maintenance through an irrigation system.
- Reduced groundwater dependence at Halol by moving towards surface-water sourcing, supported by water recycling and rainwater-harvesting systems.
- Maintained zero-landfill status, with residual waste managed through recovery, recycling and authorised disposal channels.
- Planted 450 trees across Rania and Halol over the last two years — 250 in FY 25–26 (up from 200 in FY 24–25), with Halol accounting for 350 and Rania for 100

#2 Our social commitment

Overview

At Shaily, we recognise that the social dimension of our business is closely linked to the strength of our relationships with employees, customers, vendors and communities. The dedication and passion of our experienced and young employees, the commitment of our vendors and the trust of our customers and communities are fundamental to our operational resilience and long-term sustainability.

Our social approach is therefore centred on strengthening people capabilities and retention, building stable and resilient supply-chain relationships, delivering superior customer service and enhancing community confidence in our operations. We seek to foster an inclusive and supportive workplace, nurture long-term stakeholder relationships and create shared value across the communities in which we operate.

Social initiatives

Employees

- Implemented a Zero Accident Level philosophy supported by structured procedures, hazard identification, risk mitigation, training and continuous improvement.
- Provided Personal Protective Equipment (PPE), machine safety controls, interlocks and hazard-communication systems based on job requirements.
- Conducted safety inductions, job-specific safety and fire-safety training, toolbox talks, refresher programmes, HIRA and Permit-to-Work systems for high-risk activities.
- Operated the DOJO Training Room for safety and competency development and strengthened Emergency Response Team (ERT) capabilities through specialised training and emergency drills.
- Maintained occupational health infrastructure, including an Occupational Health Centre, 24x7 ambulance availability, first-aid facilities and trained emergency responders.
- Provided safe drinking water, sanitation, hygiene and welfare facilities, along with ergonomic and fatigue-management measures.
- Conducted periodic medical examinations, industrial hygiene monitoring, vaccination drives and health-awareness programmes to support preventive healthcare.
- Provided eligible employees with Group Mediclaim and Group Personal Accident insurance, with ESIC benefits where applicable.
- Monitored Lost Time Injury Frequency Rate (LTIFR), accidents, near misses, unsafe acts and conditions, accident-free man-hours and corrective-action closure.
- Investigated incidents and unsafe conditions and implemented Corrective and Preventive Actions (CAPA) through retraining, process modifications and enhanced supervision.

Contractors and visitors

- Provided safety induction and plant orientation covering workplace hazards, emergency facilities and evacuation procedures.
- Applied relevant safety, fire-safety, HIRA and Permit-to-Work requirements to contractors and visitors undertaking activities within the facilities.

Safety infrastructure and emergency preparedness

- Strengthened fire protection through hydrant networks, automatic sprinklers and modular suppression systems across key facilities.
- Enhanced evacuation systems through floor and gangway markings, auto-glow exit signage, emergency lighting and push-bar exits.
- Installed emergency eyewash facilities, flameproof lighting and spill-containment systems in high-risk areas.
- Managed fire risks through fire-safety SOPs, segregated storage, electrical maintenance, housekeeping, grounding, lightning protection and ignition-source controls.

Highlights, FY 25–26

- Strengthened fire protection at the healthcare plant, Halol-2, Halol-3 and Rania through hydrant expansion, sprinklers and modular suppression systems.
- Enhanced emergency preparedness through improved ERT capabilities, evacuation infrastructure and high-risk-area safety systems.
- Reported zero Lost Time Injuries (LTI) for five consecutive years, supported by stronger near-miss reporting and proactive hazard identification.
- Reported no major fire incidents for three consecutive years.

#3 Our governance commitment

Overview

At Shaily, we recognise that good governance is fundamental to building trust with our customers, employees, investors, regulators and other stakeholders. As a manufacturer serving highly regulated and quality-sensitive sectors, our operations depend on robust quality systems, regulatory compliance, traceability, risk management and disciplined execution.

Our governance approach is therefore centred on maintaining high standards, strengthening accountability and managing risks responsibly. We seek to embed governance across our operations through strong quality and compliance systems, operational controls, customer-focused processes and continuous improvement, enabling us to scale our capabilities while maintaining the reliability, transparency and standards expected by our stakeholders.

Governance measures

- Embedded health and safety considerations into operational and strategic decision-making, with periodic reviews by senior management and the Board.
- Maintained a dedicated safety organisation comprising qualified safety officers and trained personnel.
- Conducted internal and third-party audits, statutory inspections, regulatory reviews and certification and compliance assessments, with findings tracked through CAPA.
- Aligned the broader safety and compliance framework with applicable standards and regulations, including ISO 14001:2015, ISO 9001:2015, ISO 50001: 2018, SA 8000:2014, SMETA 4 pillar, RBA standards, equivalent Customer compliance standards and the Factories Act, 1948 and Gujarat Factories Rules, 1963.
- Applied structured governance practices covering quality management, regulatory and statutory compliance, customer requirements, risk management, supply-chain discipline, traceability, responsible sourcing, operational controls, capital allocation, business continuity and transparent reporting.

Business enabler

Shaily. Driven into the future by a digital backbone

Connected. Intelligent. Resilient.

Connected: One ecosystem. Multiple functions.	Intelligent: Technology that enables better decisions.	Resilient: Stronger systems. Stronger controls.
Integrated platforms bring key functions together and enable seamless information flow across the organisation.	Digital capabilities are helping Shaily build a more responsive, data-enabled operating environment.	Robust information security and compliance frameworks reinforce trust, control and regulatory readiness.

Overview

In pharmaceuticals, there is little room for approximation. Every process, every parameter and every decision counts. Technology is helping Shaily bring a greater precision to this equation—connecting processes, sharpening visibility and enabling faster, better-informed decisions while keeping quality and regulatory compliance firmly in focus.

Today, this digital backbone runs across manufacturing, quality, finance, supply chain, human resources and other critical functions, creating a more connected way of working. During the year, Shaily took another step forward with IoT-enabled manufacturing, exploration of Artificial Intelligence applications, and stronger cybersecurity and regulatory technology. The direction is clear: moving from connected operations to smarter manufacturing, stronger resilience and greater intelligence at scale.

The systems behind smarter execution

Smart manufacturing needs more than machines - it needs systems that talk to each other. At Shaily, the digital architecture brings together ERP, MES, HRMS, collaboration platforms and connected manufacturing technologies, linking manufacturing, quality, finance, supply chain and people processes into one integrated ecosystem.

With information flowing more seamlessly across functions, teams gain greater visibility, faster coordination and tighter control over operations. The result is a digital backbone that turns connected data into clearer decisions and sharper execution.

Turning manufacturing data into intelligence

The real value of data is not knowing what happened - it is knowing what to do next. Shaily is building towards that shift. IoT-enabled technologies across its pharmaceutical manufacturing facilities are generating real-time operational data, bringing greater visibility and control to the shop floor while advancing its Industry 4.0 journey.

The next frontier is Artificial Intelligence. Shaily is exploring its applications across predictive maintenance, process optimisation, quality assurance and data-led decision-making - moving from simply monitoring operations to anticipating what comes next.

Data	Intelligence	Action
IoT-enabled manufacturing	Analytics + AI	Smarter manufacturing
Real-time operational information	Patterns • Predictions • Insights	Optimisation • Quality • Maintenance

Shaily is exploring AI applications across predictive maintenance, process optimisation, quality assurance and data-driven decision-making.

Building trust into the digital environment

As more critical processes rely on technology and data, cybersecurity and regulatory control become essential to operational resilience.

- Shaily strengthened its Information Security Management System (ISMS) in alignment with ISO 27001 standards, reinforcing controls around information security, data protection and unauthorised access.
- The Company implemented TeamLease RegTech, an AI-enabled regulatory compliance management platform, to automate compliance tracking and improve visibility over regulatory obligations.
- These measures strengthened two critical aspects of a technology-enabled enterprise: protecting information and maintaining control over compliance.

Looking ahead

Shaily will focus on deepening its digital capabilities to make technology a stronger enabler of manufacturing excellence and business agility. The Company will seek to expand the use of connected technologies, assess AI opportunities across relevant processes, and further strengthen cybersecurity and compliance systems. The direction is clear: build a more intelligent, secure and adaptable enterprise, with technology supporting sharper decisions and stronger execution.

Business enabler

Shaily's marketing. Moving closer to widening opportunities

Customer value

990.67

₹ Cr, Revenues, FY 25-26

Overview

In precision engineering, commercial success begins long before the sale, with complex customer programmes, long development cycles and evolving technical requirements making early engagement critical. At Shaily, Marketing and Business Development connect customer needs, technical expertise and commercial opportunity, with globally distributed teams working closely with key OEMs and supported by capabilities across device design, engineering, regulatory, manufacturing and quality.

From market need to commercial scale

Market insight	Concept and feasibility	Design and engineering	Validation and readiness	Commercialisation
Understand customer and therapeutic requirements	Engage early and shape the right solution	Develop the device, tooling and platform	Align quality, regulatory and manufacturing requirements	Scale with precision, reliability and speed

Challenges and counter-initiatives

Key challenge	Shaily's response
Intensifying global competition	Strengthened positioning around proprietary platforms, integrated capabilities and external innovation credentials, including the CII Innovation Award.
Longer qualification and procurement cycles	Increased early-stage engagement through technical workshops, design discussions, customer visits and periodic business reviews.
Growth in GLP-1, biologics and self-administration	Showcased proprietary pen injector platforms and customised device solutions across high-growth therapeutic opportunities.
Need for stronger differentiation	Expanded technical communication across the full lifecycle — design, engineering, tooling, manufacturing, validation and commercialisation — emphasising total lifecycle value rather than price alone.
Growing global demand	Strengthened capacity, intelligent automation, robotics and Industry 4.0-enabled manufacturing to support scalable growth without compromising quality.
Need to strengthen customer confidence through complex programmes	Deepened co-development discussions, transparent project governance, regular technical reviews and collaborative problem-solving.

Marketing highlights, FY 25–26

Sharper brand positioning: Refreshed brand and technical communication, including the redesigned Drug Delivery Solutions website, technical literature and capability decks, strengthened Shaily's positioning as a one-stop drug delivery partner.

Deeper customer engagement: Technical workshops, design discussions, customer visits, business reviews and innovation sessions across Europe and other strategic markets are bringing Shaily closer to customer programmes from concept and feasibility through design-in.

Focus on high-growth opportunities: Targeted engagement in GLP-1s, biologics and self-administration therapies, supported by proprietary pen injector platforms and customised device solutions, is strengthening Shaily's position in next-generation drug delivery.

Engineering-led differentiation: Application-specific presentations, product videos and dedicated platform brochures highlight Shaily's end-to-end capabilities from design and engineering through tooling, precision manufacturing, validation and commercialisation.

Stronger global visibility: Participation at Pharmapack Europe, CPHI Worldwide, CPHI North America and PODD, supported by targeted digital campaigns and customer outreach, expanded Shaily's global visibility, while the CII Innovation Award provided external recognition of its innovation and engineering capabilities.

Stronger commercial capability: Shaily strengthened its global business development, engineering, technical and project management teams to respond faster, accelerate technical closure and support customer programmes through to launch.

Data-led commercial excellence: Enhanced market intelligence, Voice of Customer, CRM discipline, funnel governance, MGAP and KPI dashboards, combined with stronger cross-functional collaboration, are building a more focused, customer-first commercial engine.

Outlook

Shaily's next phase of growth will be supported by a more responsive and insight-led commercial engine, with greater cross-functional integration aimed at shortening the time between identifying a customer requirement and mobilising the internal response to it. Faster proposal development and technical closure, supported by parallel decision-making, will strengthen customer responsiveness, while continued capacity expansion and automation will enable the Company to meet growing demand at scale without compromising quality.

Building the capabilities behind the ambition

Business enabler

Overview

Growth of a business is ultimately enabled by organisational capability. As Shaily expands its technologies, manufacturing footprint and customer programmes, the demands on its people and leadership also increase.

At Shaily, Human Resources is positioned as a business enabler. Its role extends beyond recruitment and administration to strengthening the talent base, organisational effectiveness and leadership capacity required to translate strategy into execution.

During FY 25–26, this responsibility assumed a greater significance as the Company expanded its workforce. The focus was on strengthening the organisation for the next phase of growth - attracting critical talent, enhancing employee capability and productivity, deepening leadership depth, improving engagement and well-being, and strengthening HR processes through technology and data.

HR measures

- Digitised HR processes to improve operational efficiency, responsiveness and employee experience.
- Strengthened workforce analytics to enable more informed, data-led people decisions.
- Expanded learning and leadership development to build capabilities and prepare employees for larger responsibilities.
- Enhanced employee wellness and engagement initiatives to support a more employee-centric workplace.
- Strengthened performance management to align individual contribution with organisational priorities.
- Advanced succession planning to build leadership depth and continuity across critical roles.
- Improved employee communication to strengthen transparency, alignment and engagement.
- Promoted diversity and inclusion as part of a more inclusive organisational culture.
- Encouraged cross-functional collaboration to improve coordination and organisational effectiveness.
- Strengthened governance and compliance to support consistency and robust HR practices.

Talent scorecard

Workforce profile

Metric	FY 22–23	FY 23–24	FY 24–25	FY 25-26
Employees	2,064	2,474	2,669	3,215
Average age	33 years	35 years	35 years	34 years
Women employees as a % of total employees	40.48%	35.61%	37.42%	39.60%

Value impact: Headcount grew 20% during the year to support the healthcare capacity ramp, while an average age of 34 years and 39.6% female representation were maintained.

Training profile

Year	FY 22–23	FY 23–24	FY 24–25	FY 25-26
Aggregate person training hours	4.14	4.35	4.00	4.24

Value impact: Training hours per employee recovered during the year even as headcount grew 20%, holding capability development steady across technical, functional, managerial and leadership roles.

People and productivity profile

Metric	FY 22–23	FY 23–24	FY 24–25	FY 25-26
Employee cost (₹ Cr)	85.99	79.16	104.83	145.04
Revenue per employee (₹)	2,20,849	2,34,295	2,68,221	2,73,363
People cost as % of revenues	14%	12%	13%	15%

Value impact: People cost rose to 15% of revenue as the Company hired ahead of the healthcare and consumer electronics ramp, while revenue per employee improved for a second consecutive year.

Building organisational capability for the next phase of growth

Ensure Shaily's people, leadership and organisational capabilities keep pace with its growth ambitions.

1 STRENGTHEN TALENT
Build a stronger talent pipeline and deepen workforce capabilities.

2 DEVELOP LEADERSHIP
Build leadership depth to support Shaily's expanding growth ambitions.

3 GO DIGITAL
Leverage digital technologies and workforce data to improve planning, talent decisions, efficiency and employee experience.

4 RAISE PERFORMANCE
Foster an employee-centric culture built around learning, collaboration, innovation, accountability and engagement.

5 SCALE WITH AGILITY
Preserve organisational agility and collaboration as the business grows.

Corporate social responsibility

Making opportunity possible

Community value

116.04

₹ Lac, CSR obligation, FY 25-26

Our CSR philosophy

PRINCIPLED. STRUCTURED. SUSTAINABLE.

Shaily's CSR philosophy is founded on 'Principled, Structured and Sustainable Altruism.' At its centre is a simple belief: CSR must remain distinct from business profits, commercial objectives and marketing interests.

Overview

Business growth creates value. Responsibility lies in asking how some of that value can travel beyond the boundaries of the business. For Shaily, Corporate Social Responsibility is not treated as an annual obligation or an extension of corporate visibility. It is a deliberate commitment to contribute where support can make a meaningful difference - in a classroom, a healthcare programme, an innovation lab or the life of someone who needs greater access and opportunity.

During FY 25–26, this commitment translated into focused interventions across Education, Skill Development and Healthcare - supporting students, young innovators, people with intellectual disabilities and underserved communities. Shaily's social-responsibility agenda is driven internally by the CSR Committee and guided by a commitment to ensure that every intervention is purposeful, responsibly governed and directed towards creating meaningful social value.

Strategic integration: CSR is approached as a purposeful commitment rather than a compliance exercise.

Board-level governance: Strong oversight helps ensure accountability in the selection and execution of initiatives.

Altruistic intent: Social interventions are kept separate from commercial and promotional considerations.

Shaily's CSR principles

Financial rigour: CSR resources are allocated and deployed with responsibility and discipline.

Long-term impact: The emphasis is on interventions that can create value beyond the immediate act of giving.

Collaborative execution: Where specialised implementation is required, Shaily supports programmes and institutions already working close to communities and beneficiaries.

Highlights

Student support: Distributed school uniforms to students at R.G. Bhagat High School, Bhadarwa, and notebooks to students at a school in Rania Village, helping improve access to essential learning resources. The Company contributed to the establishment of Plastindia International University.

Inclusive mobility: Donated a vehicle to Arpan Charitable Trust to improve access to education, therapy, care and community engagement for children and adults with intellectual disabilities.

STEM & youth development: Supported Aditya Birla Education Trust through hands-on STEM education, community engagement and youth leadership programmes focused on robotics and technical learning.

Youth innovation: Supported early-stage innovation through Shaily-Sigma University CSR Microgrants and SSIP, providing young innovators with resources to experiment, develop ideas and progress towards practical solutions.

Rural healthcare access: Supported Shree Halar Sarvajiv Seva Samaj Trust, Jamnagar, to extend healthcare services to economically disadvantaged communities in rural and underserved areas.

Preventive & community healthcare: Supported United Way of Baroda across preventive health check-ups, eye-screening camps, maternal and child healthcare, nutrition, blood donation, clean drinking water, medical equipment, sanitation and hygiene.

Health awareness: Supported community health-awareness initiatives that promote early detection, preventive care and healthier living practices.

Outlook

Shaily will continue to pursue CSR as a disciplined, transparent and human commitment. The focus will remain on education, skill development and healthcare, while the Company's approach will continue to be guided by altruistic intent, strong governance and responsible financial management.

Going forward, the objective will not simply be to undertake more initiatives. It will be to identify interventions where support can be relevant, meaningful and capable of creating value beyond the immediate contribution.

Product offerings

Shaily's diverse product offerings

Overview

At Shaily, diversification is not a defensive move; it is a strategy for staying ahead.

FY 25-26 showed exactly why it works. When softer demand for home furnishings across Europe and the US pulled the Consumer business segment down 9%, Healthcare and Industrial stepped up — growing 139% and 41% respectively — carrying the Company's overall revenue to ₹990.67 Cr, up 25.91% year-on-year. A business leaning on a single market would have felt that Consumer slowdown directly on its bottom line. As it turned out, Shaily barely broke stride.

This is the real value of not depending on any one market, product or customer: when one engine slows, another accelerates – that keeps the Company moving forward. This also provides Shaily the confidence to step into a new territory — like the consumer electronics and semiconductor opportunities opened up this year — knowing that a new segment adds another layer of resilience rather than another point of risk.

One platform. Multiple growth engines.

- Healthcare
- Industrial
- Consumer
- Electronics
- Semiconductors

Customer-led innovation: Products built around real customer needs and emerging opportunities.

Responsive scale: Capabilities that evolve with customers as their requirements grow.

What this creates

Future-ready pipeline: A strong pipeline positioned ahead of changing markets.

Zero-defect mindset: Uncompromising quality across every product and every programme.

Analysis

Healthcare

392.8
₹ Cr, Revenue in FY 25-26

+139
% revenue growth, y-o-y

Overview

Healthcare became the defining growth story of FY 25-26. Revenue surged 139% to ₹392.8 Cr, transforming the segment from a promising capability into a major growth engine.

Behind the numbers was a decisive execution year: Shaily Harmony and Shaily Neo Semaglutide pens entered commercial markets, a customer secured EMA approval for Teriparatide, and a ₹423 Cr four-year pen-injector programme was won.

With Healthcare's share of revenue rising from 21% to 40% in a single year, Shaily is no longer simply participating in the drug-delivery opportunity — it is building a platform to capture its next phase of growth.

Products portfolio

ShailyPen Axiom®: A variable-dose pen injector platform qualified across multiple therapies, including human growth hormone, follicle stimulating hormone, parathyroid hormone and GLP-1.

ShailyPen Protean®: A versatile pen injector designed for either disposable or reusable configurations.

ShailyPen Neo™: A spring-driven pen injector supporting both variable and fixed-dose delivery.

ShailyPen Axiom Max™: A fixed-dose pen injector developed for GLP-1 applications, with no priming step and a simplified user interface.

ShailyPen Harmony® 2: A standard pen injector platform within the portfolio.

ShailyPen Maxim™: An 80-unit pen injector available in reusable or disposable formats.

Shaily AI Tristan™: A streamlined three-step auto-injector device.

Shaily AI Toby™: An efficient two-step auto-injector device.

Shaily Mira™: A wearable auto-injector designed for on-body drug delivery.

ShailySafe LAN™: A dedicated safety device for medical delivery applications.

Our top ten clientele

Dr. Reddy's Laboratories: Dr. Reddy's Laboratories is a global pharmaceutical company focused on developing, manufacturing, and marketing generic medicines, APIs, biosimilars, and innovative healthcare products.

Orbicular Pharmaceutical Technologies: Orbicular Pharmaceutical Technologies is a pharmaceutical technology company focused on drug development, formulation, and drug-delivery solutions.

Hetero Pharma: Hetero Pharma is a global pharmaceutical company specializing in generic medicines, APIs, biosimilars, and affordable healthcare solutions.

MSN Laboratories: MSN Laboratories is an integrated pharmaceutical company engaged in the development and manufacturing of APIs, generic formulations, and complex medicines.

Aspen Pharma: Aspen Pharma is a multinational pharmaceutical company providing branded and generic medicines across a broad range of therapeutic areas and international markets.

Sanofi: Sanofi is a global healthcare company focused on developing and delivering innovative medicines and vaccines across multiple therapeutic areas.

Merck S.A.: Merck S.A. is a healthcare and pharmaceutical company focused on innovative medicines, specialty therapies, and healthcare solutions.

Eugia Pharma: Eugia Pharma is a specialty pharmaceutical company focused on developing and manufacturing complex generic and injectable medicines.

Ambiorix: Ambiorix is a pharmaceutical company focused on the development, commercialization, and supply of specialty healthcare and pharmaceutical products.

Adalvo Pharma: Adalvo Pharma is a global pharmaceutical company focused on developing, licensing, and commercializing generic and specialty medicines.

Highlights, FY 25-26

Launches: Shaily Harmony and Shaily Neo pens were commercially launched for Semaglutide across India and the global markets.

Canada: A customer launched Shaily-manufactured Semaglutide pens, marking the Company's entry into one of the world's most demanding regulatory jurisdictions.

Approval: A customer received EMA approval for Teriparatide, expanding the opportunity for Shaily's drug-delivery platforms.

Order: Secured a ₹423 Cr, four-year supply agreement for pen injectors with a leading domestic pharmaceutical company.

Volumes: Pen volumes reached approximately 23.3–23.5 Mn devices, with a capacity expansion underway.

Innovation: New eye-applicator platform was commissioned for a customer, with commercialisation targeted in FY 26-27.

Analysis

Consumer

511.3
₹ Cr, Revenue in FY 25-26

-9
% revenue change, y-o-y

Overview

Our Consumer business faced a difficult second half in FY 25-26. Demand for home furnishings weakened across Europe and the USA, and fourth-quarter orders were cancelled in the Middle East as a result of regional conflict. Revenue declined 9% to ₹511.3 Cr, but the underlying platform remained resilient.

Importantly, Shaily continued to add new customer programmes through the year, reinforcing its customer relationships and diversified product base. We view this softness as cyclical rather than structural. The segment retains its customer base, its export relationships and its manufacturing scale, and is positioned to participate as global demand recovers.

The evolution of Shaily's business mix also puts the performance in perspective: The Consumer segment's share of the Company's consolidated revenues moderated from 71% to 51%, not simply because of the segment's decline, but because Healthcare grew 139%.

Product portfolio

Home furnishings: Precision-engineered components serving global home and furniture applications.

FMCG packaging: High-volume, precision plastic solutions supporting leading consumer brands.

Carbon steel furniture: Components and solutions serving global furniture applications.

Select customers

Hindustan Unilever (HUL): India's leading FMCG company, with a broad portfolio spanning personal care, home care, food and beverages.

IKEA: A global leader in home furnishings, known for accessible design, functional products and a strong focus on sustainability.

Procter & Gamble (P&G): A global consumer goods leader with trusted brands across beauty, healthcare, grooming and home care.

Highlights, FY 25-26

Diversified customer base: Continued to add new programmes despite a softer demand in key export markets.

Global exposure: Established a presence across Europe, the USA and other international markets.

Multiple product categories: Exposure across home furnishings, FMCG packaging, LED lights and carbon steel furniture.

Resilient platform: The breadth of applications provides multiple avenues for growth as individual markets move through different cycles.

New opportunities: Shaily's expanding capabilities are enabling an entry into new, precision-intensive markets beyond its traditional consumer portfolio.

Analysis

Industrial

86.6
₹ Cr, revenue in FY 25-26

+41
% revenue growth, y-o-y

Overview

Our Industrial business delivered strong growth in FY 25-26, revenue rising 41% to ₹86.6 Cr The segment's momentum was driven by new customer wins and a growing confidence in Shaily's ability to address increasingly demanding applications.

The significance extends beyond revenue growth. New business in power tool and LED light components reflects a broader shift towards higher-complexity applications, strengthening Shaily's position as an engineering-led manufacturing partner.

Product portfolio

Automotive components: Precision-engineered components for demanding automotive applications.

Appliances: Precision plastic solutions supporting a range of appliance applications.

High-performance engineering components: Engineered components designed for applications requiring precision, reliability and consistent performance.

Power tool components: Precision components for power tool applications, representing a growing area of industrial opportunity.

LED light components: Engineered components for lighting applications, expanding Shaily's presence in precision-intensive industrial markets.

Select customers

General Electric / Haier: Global leaders across industrial, consumer technology and home appliance markets.

Garrett Advancing Motion: Global leader in automotive turbocharging, aftermarket and performance technologies.

Schaeffler: Global engineering group specialising in precision components and systems across automotive, aerospace and industrial applications.

Highlights, FY 25-26

Growth: Revenue increased 41% y-o-y, with Q4 FY 25-26 revenue growing 60% y-o-y to ₹21.9 Cr.

New business: Secured new programmes for power tool components and LED light components.

Complexity: New wins demonstrate Shaily's growing ability to address more demanding and application-specific requirements.

Customer confidence: New programmes strengthen relationships and demonstrate increasing trust in Shaily's engineering and manufacturing capabilities.

Diversification: Expanding applications broaden the Industrial segment beyond its established automotive and appliance base.

Opportunity: Rising application complexity creates a pathway towards higher-value engineering content and deeper customer participation.

Board of Directors' profiles

RM NR

Mahendra Bhogilal Sanghvi
Executive Chairman

Mr. Mahendra (Mike) Bhogilal Sanghvi is the Promoter and Executive Chairman of the Company. A Chemical Engineer from Wayne State University, USA, and a Plastics Technologist, he also holds a Diploma in MBA from the University of Toronto, Canada. With rich and diverse experience in the plastics industry, he has been actively involved in the Company's operations since inception. Under his visionary leadership, the Company has achieved remarkable growth and earned prestigious accolades, including several top exporter awards. Globally recognized for his technical expertise and commitment to quality, Mr. Sanghvi continues to guide the Company's strategic direction. He is an Executive Member of Organization of Plastics Processors of India. He has also served on the Boards of Integra Engineering India Limited, Munjal Auto Industries Limited, PLEXCONCIL and PlastIndia in past.

CSR RM

Tilottama Mahendra Sanghvi
Whole-Time Director

Mrs. Tilottama Sanghvi, Promoter and Whole-Time Director, is a Science Graduate with deep involvement in the Company's operations since inception. She has played a pivotal role in managing the Company's Export Oriented Unit (EOU) plants and overseeing administration and stores operations across facilities. In addition, she contributes to project budgeting, planning, and execution. Known for her operational excellence, Mrs. Sanghvi has successfully managed multiple plants, including the EOU Plant and Rania Plant, and has made significant contributions to the Company's growth journey.

CSR

Laxman Bhogilal Sanghvi
Executive Director

Mr. Laxman Sanghvi, Promoter and Executive Director, is a qualified Chartered Accountant and Law graduate. He has held leadership positions, including President of the Panchmahals Industries Association. At the Company, he has overseen critical functions such as projects, procurement, stores, budget control, and administration. He played an instrumental role in establishing the Carbon Steel facility and is closely involved in the development of the plastics plant at Halol, Gujarat.

SR

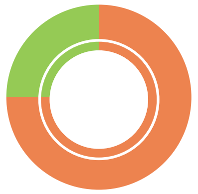
Amit Mahendra Sanghvi
Managing Director

Mr. Amit Sanghvi, Managing Director and member of the Promoter Group, holds a degree in Electrical Engineering from the University of Ottawa and an M.Sc. in Supply Chain and Manufacturing from Penn State University, USA. He began his career as a Business Process Consultant with Arete Inc. (USA), working with clients such as Pepsi and Coca-Cola, and later gained experience with reputed companies including PAS Romania, Pepsi Bottling Group (New York), and Coca-Cola Bottling (Indonesia). At Shaily, he started as General Manager – Projects, was later elevated to Whole-Time Director, and has served as Managing Director since May 16, 2015.He also serves on the boards of Shaily Innovations Limited, London, UK and Shaily Innovations FZCO, Dubai, UAE - both are wholly owned subsidiaries of the Company.

Board Composition, Gender & Committees

Board Composition

Gender



Number of Committees

A: Audit Committee
SR: Stakeholders Relationship Committee
NR: Nomination & Remuneration Committee
CSR: Corporate Social Responsibility Committee
RM: Risk Management Committee

CSR A RM

Ranjit Singh
Independent Director

Mr. Ranjit Singh is an Independent Director with over 36 years of experience in industrial management across Indian and international business environments. A Mechanical Engineer from BITS Pilani and MBA graduate from IIM Ahmedabad, his core strengths lie in corporate growth, turnaround strategies, and implementation. He has held senior leadership roles, including Managing Director of Kalpataru Power Transmission and Global COO & Board Member of Polyplex Corporation Limited. He also serves on the Boards of several listed and private companies and is a member of the Board of Governors of IIM Jammu. Based in Delhi, Mr. Singh is actively engaged in the start-up ecosystem and strategy advisory space.

NR RM A SR

Dr. Shailesh Kripalu Ayyangar
Independent Director

Dr. Shailesh Ayyangar, an Independent Director, has over 36 years of leadership experience in the healthcare industry. An alumnus of IIM Ahmedabad and INSEAD, Fontainebleau (France), he has served as President of the Organisation of Pharmaceutical Producers of India for four consecutive years and advised the Prime Minister's Office as part of a select CEO panel. He has held leadership roles at GlaxoSmithKline (India and UK), including as EVP for Commercial Operations in India. Dr. Ayyangar is deeply involved in healthcare innovation and start-ups and holds Board positions in several pharmaceutical and healthcare companies.

A SR NR RM

Samaresh Parida
Independent Director

Mr. Samaresh Parida, Independent Director, is a Chartered Accountant and MBA graduate from IIM Ahmedabad with over 36 years of experience in leadership roles across strategy, finance, operations, and M&A in diverse geographies including India, USA, Latin America, and Russia. He has worked with leading organisations such as Vodafone (Executive Director), PepsiCo Inc. (CFO, New York), Toyota (CFO – LCV business, India), and Andersen Consulting. Currently, he runs his own management consultancy and advises NABARD on large-scale microfinance initiatives. He also serves on the Boards of several reputed companies across industries.

SR A NR CSR

Sangeeta Kapil Jit Singh
Independent Director

Ms. Sangeeta Singh, Independent Director, is a seasoned HR professional with over 36 years of experience across human resources, employer branding, corporate communications, and operations. A graduate in Behavioral Psychology from Mumbai University and a postgraduate in Strategic Human Resource Management from Harvard Business School, Boston, she has worked extensively across professional services, financial services, consulting, and media sectors. A strong advocate for women in leadership, she was the India Head of KPMG's Network of Women and a founding member of the Women in Leadership Forum. She currently serves on the Boards of leading organisations in shipping, fragrances, chemicals, pharmaceuticals, agriculture and IT enabled services.

Corporate Information

Board of Directors

Mr. Mahendra Sanghvi
Executive Chairman

Mr. Amit Mahendra Sanghvi
Managing Director

Mr. Laxman Sanghvi
Executive Director

Mrs. Tilottama Sanghvi
Whole Time Director

Mr. Samaresh Parida
Independent Director

Dr. Shailesh Ayyangar
Independent Director

Ms. Sangeeta Singh
Independent Director

Mr. Ranjit Singh
Independent Director

Key Officials

Mr. Sanjay Shah
Chief Strategy Officer

Mr. Paresh Jain
Chief Financial Officer

Mr. Chi Hung Kam (Joe Kam)
Chief Operating Officer - Healthcare
(Appointed w.e.f. 1st March, 2026)

Mr. Harish Punwani
Company Secretary & Compliance Officer

Auditors

M/s B S R and Co.,
(Chartered Accountants) – Statutory Auditors

M/s Jain & Hindocha,
(Chartered Accountants) – Internal Auditors

M/s Samdani Shah and Kabra,
(Company Secretaries) – Secretarial Auditors

M/s Y S Thakar & Co.,
(Cost Accountants) – Cost Auditors

Bankers

State Bank of India

Standard Chartered Bank

HDFC Bank Ltd.

Registrar & Share Transfer Agent

Bigshare Services Pvt. Ltd
Office No S6-2,
6th floor Pinnacle Business Park,
Next to Ahura Centre,
Mahakali Caves Road,
Andheri (East) Mumbai – 400093,
Maharashtra, India.
Web: www.bigshareonline.com
Email: investor@bigshareonline.com

Management Discussion and Analysis

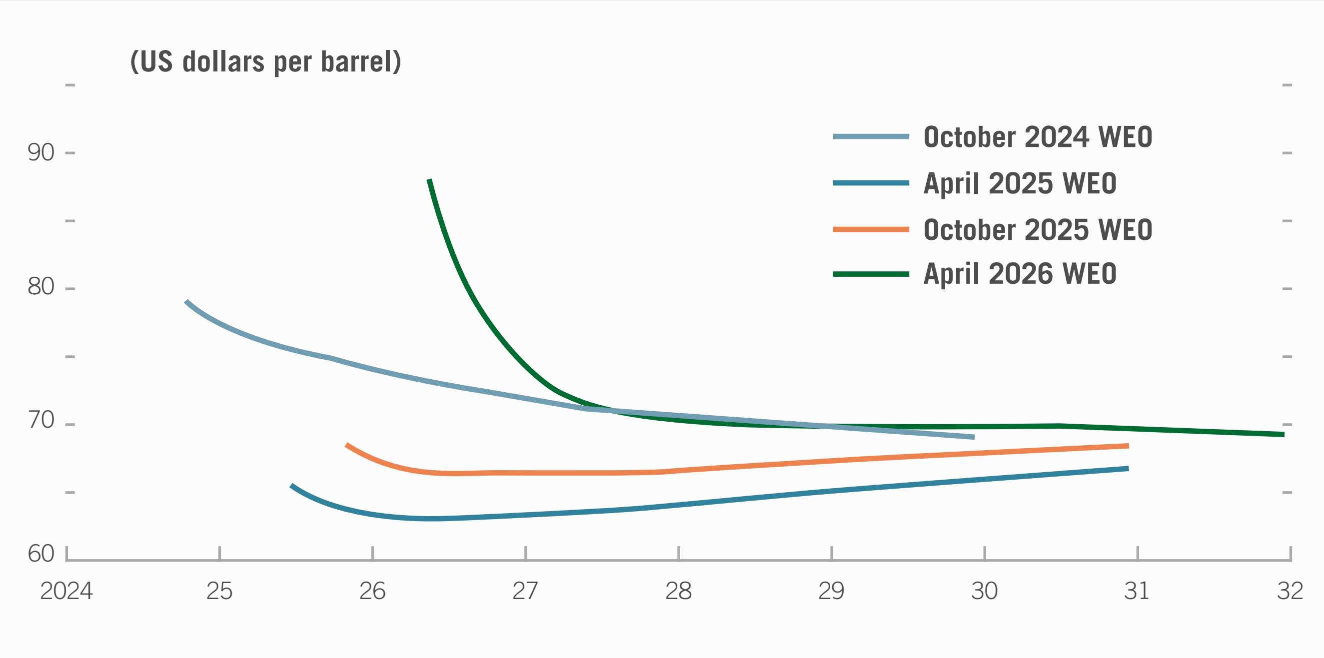
Global Economy

The global economy entered FY26 navigating a materially more uncertain environment than the cautious stabilisation seen through 2024-25. During early 2026, geopolitical tensions and evolving trade policies increased volatility, resulting in higher energy prices, elevated freight costs and disruptions across global supply chains. These developments have accelerated supply chain diversification and reinforced the focus on building resilient sourcing networks.

As per the International Monetary Fund's (IMF) World Economic Outlook, global growth is projected to moderate to 3.1% in 2026 - a downward revision of 0.2 percentage points from the Fund's earlier projection - before recovering marginally to 3.2% in 2027. Both estimates remain below the pre-pandemic historical (2000-19) average of 3.7% and below the roughly 3.4% pace recorded in 2025, underscoring a structurally slower growth backdrop for the world economy.

The principal swing factor behind the downgrade is the outbreak of conflict in the Middle East at the end of February 2026, which has disrupted commodity and energy markets and lifted inflation expectations. Global headline inflation is now projected at 4.4% in 2026 (an upward revision) before easing to 3.7% in 2027.

Brent Crude Oil Price Forecasts



While the global outlook remains mixed amid persistent inflationary and geopolitical risks, long-term investments in healthcare, technology and manufacturing continue to support growth opportunities.

GDP Growth Expectations

Region / Country	2025	2026E	2027E
World Output	3.4	3.1	3.2
United States	2.1	2.3	2.1
Euro Area	1.4	1.1	1.2
Emerging Market & Developing Economies	4.4	3.9	4.2
China	5.0	4.4	4.0
India	7.6	6.5	6.5

Key risks flagged by the IMF for the remainder of FY26/27 include further geopolitical escalation and energy-infrastructure damage, a correction in AI-related capital expenditure or a re-evaluation of AI profitability, renewed trade disputes (particularly around rare-earth elements), fiscal slippage and erosion of central bank credibility, and broader financial-market instability stemming from global macroeconomic imbalances. A de-escalation of current tensions and greater clarity on trade policy remain the principal upside levers to global growth. Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026

Indian Economy

India sustained its strong economic momentum during 2025–26, supported by resilient domestic demand, prudent macroeconomic management and continued public investment. Growth was driven by improving rural and urban consumption alongside robust infrastructure development. The country's expanding manufacturing ecosystem and increasing participation in global supply chains further enhanced its competitiveness. While global uncertainties and commodity price fluctuations remain key risks, India's underlying economic fundamentals continue to provide confidence in its long-term growth trajectory.

IMF's April estimates had projected India's economy to grow by 6.5% in both 2026 and 2027. In its subsequent July 2026 update, the IMF trimmed the calendar-year 2026 growth forecast marginally to 6.4%, citing "a more challenging global environment marked by geopolitical tensions and trade uncertainty," while raising the 2027 forecast to 6.7% on the back of resilient private consumption and a strong services sector.

The Reserve Bank of India has also progressively revised its own growth estimates upward through the year, reinforcing the broad-based nature of the domestic recovery.

India's resilience amid global uncertainty continues to reinforce the country's role as a key driver of global economic activity and provides a supportive backdrop for domestically-manufacturing, export-oriented companies such as Shaily, which derived approximately 68% of FY26 revenue from exports.

Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026

Global Plastic Industry

The global plastics market was valued at USD 533.59 billion in 2025 and is estimated at USD 560.38 billion in 2026, projected to reach USD 832.62 billion by 2034 at a CAGR of 5.1% over 2026-34. Asia Pacific remains the dominant region with a 53% share in 2025, led by China, India and Japan, followed by Europe (19.3%) and North America (16.6%).

Packaging remains the single largest end-use, accounting for 45.51% of demand and continuing to benefit from growth in food & beverage, consumer goods and pharmaceutical packaging, while polyethylene remains the dominant polymer type with a 23.3% share. Beyond packaging, growth is increasingly driven by the substitution of metal with engineering plastics in automotive and industrial applications (aided by the shift to electric vehicles), continued build-out of infrastructure and construction applications (an estimated 14.2% CAGR sub-segment), and rising investment in sustainable, bio-based plastics derived from renewable feedstocks such as corn starch and sugarcane.

https://www.fortunebusinessinsights.com/plastics-market-102176

Indian Plastic Industry

India's plastics industry, valued at approximately USD 44.28 billion in 2025 and an estimated USD 47.04 billion in 2026, is projected to reach USD 63.69 billion by 2031, implying a CAGR of about 6.24% over 2026-31. Growth continues to be underpinned by a combination of policy support and structural demand shifts: the Production-Linked Incentive (PLI) scheme is accelerating polymer capacity additions in Gujarat; rapid expansion of quick-commerce is lifting demand for rigid food-grade containers; Swachh Bharat Mission Phase-II is driving replacement of urban water and sanitation infrastructure with HDPE piping; the shift to electric two-wheelers is increasing use of engineering plastics in battery housings and lightweight components; and rising pharmaceutical exports are lifting consumption of medical-grade resins, concentrated in Gujarat and Maharashtra - directly in Shaily's backyard.

Packaging remains the largest application (41.62% share), polyethylene the leading polymer type (33.68% share), and injection moulding the leading processing technology at approximately 35.45% of processing capacity - directly relevant to Shaily's core manufacturing process.

Western India, where Shaily's Gujarat manufacturing base (Halol and Rania) is located, accounts for the largest share of national plastics consumption at 46.55%. The Government of India's "Make in India" push and the growing preference among Western customers for India-based sourcing under a "China+1" diversification strategy continue to create meaningful opportunities for quality-driven, globally-certified Indian manufacturers such as Shaily.

Source: https://www.mordorintelligence.com/industry-reports/analysis-of-plastic-industry-in-india

Consumer Segment

Home Furnishing Business

The global furniture and home-furnishing market is estimated at USD 1.0 trillion in 2026 and is projected to reach USD 1.43 trillion by 2031, growing at a CAGR of 7.39%. Growth is being driven by urbanisation and the resulting demand for space-efficient, modular and multi-functional furniture; rising middle-class incomes in emerging markets, particularly India; the continued integration of e-commerce with physical retail through visualisation tools and flexible fulfilment; the persistence of hybrid-work arrangements supporting demand for home-office furniture; a faster-growing outdoor-living sub-segment (8.12% CAGR); and regulatory and consumer pressure for recycled content and sustainable materials in furniture manufacturing.

Source: https://www.mordorintelligence.com/industry-reports/furniture-and-home-furnishing

The global steel/metal furniture market, valued at USD 653.85 billion in 2024, is projected to reach USD 988.33 billion by 2031, growing at a CAGR of 5.30%. Growth continues to be underpinned by infrastructure development and smart-city investment, increased marketing of ready-to-use furniture for commercial and residential buildings, rising disposable income (particularly among millennial consumers), and the continued expansion of e-commerce distribution channels.

Source: https://www.verifiedmarketresearch.com/product/steel-furniture-market/

At Shaily

Shaily's Consumer segment spans home furnishings, personal-care and FMCG packaging, carbon-steel furniture, offering end-to-end capabilities from design through final delivery across kitchenware, integrated cooking, dining, and organisational/storage solutions. The Company has served marquee customers including IKEA, Unilever, P&G, Gillette, Corvi, Lidl and Lowe's, with several relationships spanning 10-25 years.

Consumer segment revenue was approximately ₹511.3 crore in FY26, broadly flat year-on-year, as continued softness in demand across the US and Europe weighed on volumes even as the Company added new customers and product lines.

HealthCare Segment

Global and Indian Medical Device Market

The global medical devices market, valued at USD 572.31 billion in 2025, is projected to reach approximately USD 1,032.66 billion by 2034, a CAGR of approximately 6.9%, with North America holding the largest share at 38.1%. Growth continues to be driven by rising chronic-disease prevalence (an estimated 422 million people globally live with diabetes, with 1.5 million deaths annually attributed to the condition), an ageing population, increased surgical and diagnostic procedure volumes, sustained R&D investment (breakthrough device designations rose from 135 in 2022 to 167 in 2023), and rising adoption of wearable and connected health devices.

India's medical devices market, valued at approximately USD 15.2 billion in 2025, is projected to reach USD 50.1 billion by 2030, implying a CAGR of approximately 16.4% - roughly 2.5x the pace of the global market. The diagnostic-imaging sub-segment alone is expected to grow from ₹17,606 crore in 2025 to ₹25,726 crore by 2030. India's medical-technology exports are targeted to reach approximately ₹1,69,000 crore (USD 20 billion) by FY30, supported by the National Medical Devices Policy 2023, which promotes regulatory streamlining, infrastructure development and domestic manufacturing, alongside cumulative FDI inflows of approximately USD 4.24 billion into the sector between April 2000 and December 2025.

Source: https://www.fortunebusinessinsights.com/industry-reports/medical-devices-market-100085

Source: https://www.ibef.org/industry/medical-devices

GLP-1 Therapies and the Semaglutide Patent Cliff

The global GLP-1 (glucagon-like peptide-1) market is estimated to grow from approximately USD 49.3 billion in 2025 to USD 157.5 billion by 2035, a CAGR of roughly 11-12%. Within this, the semaglutide market (Ozempic, Wegovy, Rybelsus) was estimated at USD 28.4 billion in 2024, growing to approximately USD 93.6 billion by 2035 (CAGR ~10.5-11.5%), while the Mounjaro (tirzepatide) market, valued at USD 14.2-16.8 billion in 2024-25, is projected to reach approximately USD 78.5 billion by 2034, a CAGR of about 18.7% - the fastest-growing molecule in the class. According to the World Health Organization, more than one billion people globally live with obesity (650 million of them adults), and an estimated 530 million adults live with diabetes, of whom 98% have type-2 diabetes - a demand base that continues to expand faster than supply.

FY26 marked a pivotal structural event for this industry: the patent and data-exclusivity protection for semaglutide began expiring in a first wave of eight markets during 2026 - Canada, Brazil, China, India, Mexico, Turkey, Saudi Arabia and South Africa - which together represent approximately 33-38% of the world's obese adult population. India's patent expired on 20 March 2026, and more than 40 generic brands launched generic versions. Canada granted its first approvals in late April/early May 2026.

Regulatory pathways vary by market - Canada and Saudi Arabia treat semaglutide as a small-molecule generic requiring only bioequivalence studies, while Brazil, India and South Africa classify it as a biosimilar requiring more extensive immunogenicity and clinical testing. The core markets of the US, EU and Japan remain patent-protected until 2031-32.

The global market for pen and injector drug-delivery devices (across all therapy areas) was estimated at approximately USD 114.7 billion in 2025, projected to reach USD 236.5 billion by 2033 (CAGR ~9.6%), while the sub-market specifically for GLP-1/insulin-style pen injectors was estimated at approximately USD 40 billion in 2024 and is projected to exceed USD 60 billion by 2030. Within GLP-1 drug administration specifically, auto-injectors hold an estimated 58% device-share, prefilled syringes approximately 23%, wearable patch injectors approximately 12%, and oral formulations the balance of approximately 6-7% - though more than 75% of the 55-60 GLP-1 molecules currently in development remain injectable, limiting near-term substitution risk from oral formats.

Source: https://www.iqvia.com/locations/emea/blogs/2025/07/off-patent-semaglutide

Source: https://www.iqvia.com/locations/emea/blogs/2026/04/your-questions-answered-off-patent-semaglutide-in-2026

Source: https://www.precedenceresearch.com/mounjaro-market

Source: https://www.grandviewresearch.com/industry-analysis/semaglutide-market-report

Source: https://marketintelo.com/report/glp-1-drug-delivery-device-market

At Shaily

Shaily's Healthcare segment - comprising proprietary IP-led pen injectors, auto-injectors other specialty drug-delivery devices, and eye applicator together with primary pharmaceutical packaging and has been the biggest driver of the Company's growth over the past three years. Healthcare revenue grew to approximately ₹392.8 crore in FY26 (~40% of consolidated revenue). The installed pen-manufacturing capacity expanded massively to ~35 mn pens p.a. as of March 2026.

During the year, the Company appointed Mr. Chi Hung Kam ("Joe" Kam), a two-decades SHL Medical and Flextronics veteran with experience managing nine manufacturing sites across Taiwan and the US, as Chief Operating Officer - Healthcare, effective 1 March 2026, reflecting the scale-up ambitions for this segment.

Industrial Segment

The global automotive plastics market, valued at USD 33.02 billion in 2025, is projected to reach USD 54.82 billion by 2033, a CAGR of approximately 6.8%, with Asia Pacific holding the largest share (46.57%) on the back of China's automotive and EV manufacturing scale. Growth continues to be driven by "lightweighting" - the replacement of metal components with engineered plastics to improve fuel efficiency and reduce emissions - a trend reinforced by tightening emissions regulation and the accelerating shift to electric vehicles, which particularly benefit from weight reduction to extend range.

https://www.grandviewresearch.com/industry-analysis/automotive-plastics-market

At Shaily

Shaily's Industrial segment covers automotive components (including knobs and switchgear parts), appliance casings, LED lighting and high-performance engineering products, contributing approximately 9% of FY26 revenue on the back of strong demand across product segments and successful project ramp-ups.

The Company is a licensed processor of Torlon polymer, a critical capability for ultra-high-performance thermoplastic applications in semiconductors, aerospace & defence, electric vehicles and medical devices, and its ability to substitute plastic for metal rods in precision applications is described by management as unique globally.

Consumer Electronics and Semiconductor Segment

The global consumer electronics market, valued at USD 1,319.32 billion in 2025, is projected to reach USD 2,073.98 billion by 2033, a CAGR of approximately 5.9%, with Asia Pacific commanding a 49.3% revenue share on the back of rapid urbanisation, rising disposable incomes and smartphone/e-commerce penetration.

Separately, India's semiconductor manufacturing ecosystem has expanded meaningfully through FY26. Under the India Semiconductor Mission (an approximately ₹76,000 crore, or ~USD 9 billion, government programme offering up to 50% fiscal support across fab, OSAT/ATMP and specialty-semiconductor scheme windows).

A complementary ₹22,919 crore Electronics Component Manufacturing Scheme (ECMS), launched in 2025, is targeted at building out the upstream component supply chain, including the assembly, testing, marking and packaging (ATMP) consumables ecosystem that OSAT and fab customers require on a recurring, just-in-time basis and typically prefer to source domestically rather than import.

Source: https://www.grandviewresearch.com/industry-analysis/personal-consumer-electronics-market

Source: https://www.zetwerk.com/blog/manufacturing-technology/india-semiconductor-manufacturing-2026/

Consolidated Financial Performance of the Company for FY 2025-26

The company reported Revenue of ₹990.67 Cr in FY 2025-26 as compared to ₹786.8 Cr in FY 2024-25, a growth of 25.91% Y-o-Y.

Revenue from sale of products and services stood at ₹980.83 Cr in FY 2025-26 as compared to ₹782.3 Cr in FY 2024-25.

The company reported EBITDA of ₹287.7 Cr in FY 2025-26 as compared to ₹178.4 Cr in FY 2024-25 i.e. a growth of 61% Y-o-Y.

EBITDA margins stood at 29.0% in FY 2025-26 as compared to 22.7% in FY 2024-25.

Profit before tax (PBT) came in ₹222.6 Cr in FY 2025-26 as compared to ₹119.3 Cr in FY 2024-25 i.e. a growth of 87% Y-o-Y.

The company reported Profit after Tax of ₹169.9 Cr in FY 2025-26 as compared to ₹93.1 Cr in FY 2024-25 i.e. a growth of 82.5% Y-o-Y.

The revenue mix for exports to domestic stands at 69:31 in FY 2025-26. The revenue mix continues to skew towards exports.

Our Debt-to-Equity ratio stands at 0.3x times.

Total Capex spend (including work in progress) during FY 2025-26 is ₹185.58 Cr. The major capex has been towards the new pharma plant.

Significant changes in Key Financial Ratios during FY 2025-26

The key financial ratios during FY 2025-26 vis-à-vis FY 2024-25 are as below:

Key Financial Ratios	31st March 2026	31st March 2025	Variance
Debtors turnover Ratio	4.61	4.58	0.66%
Inventory Turnover	2.83	3.02	-6.35%
Interest Coverage Ratio	15.03	8.04	86.95%
Current Ratio	1.25	1.22	2.50%
Debt Equity Ratio	0.3	0.4	-25.00%
Operating Profit Margin (%) EBITDA	29.04%	22.67%	28.10%
Return on Net worth (%) (ROE)	26.88%	18.50%	45.28%

Board's Report

Dear members

Your directors take pleasure in presenting their 46th Annual Report together with the Audited Financial Statements for the year ending on 31st March 2026.

Financial Highlights and State of Affairs of the Company

(₹ in lacs)

Particulars	Standalone Basis		Consolidated Basis	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	92,119.81	73,811.94	99,066.72	78,679.77
Other Income	1,788.49	743.12	778.22	232.08
Profit for the year before Interest, Depreciation, Amortization & Tax	27,299.67	15,101.93	28,770.17	17,837.80
Finance Cost	1,577.50	1,694.62	1,586.89	1,694.62
Depreciation and Amortization Expense	4,536.64	3,941.50	4,921.92	4,215.65
Profit before Tax	21,185.52	9,465.81	22,261.36	11,927.53
Net Profit for the year	16,132.04	7,091.01	16,991.21	9,311.90

Note:

The above figures are extracted from the Standalone and Consolidated Financial Statements prepared in accordance with Indian Accounting Standards (Ind AS) as specified in the Companies (Indian Accounting Standards) Rules, 2015, read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Operations and Business

Key developments of the Company during the year are covered in the Management Discussion and Analysis Report (MDAR) as stipulated under the ("SEBI Listing Regulations"), is presented in a separate section, which forms part of this Annual Report.

Subsidiaries of the Company

Shaily Innovations Limited (Formerly known as Shaily (UK) Limited), established in the United Kingdom as a Pvt. Ltd. Company, is a wholly owned subsidiary of the Company. It operates as a Design Centre and a Research & Development division for varied medical and drug delivery devices.

Shaily Innovations FZCO, a wholly owned subsidiary of the Company was incorporated in Dubai, UAE on 01st January, 2025. The Company is engaged in Design and Development services for drug delivery device contracts.

A statement containing the salient features of the Financial Statements of Shaily Innovations Limited (Formerly known as Shaily (UK) Limited), and Shaily Innovations FZCO as on 31st March 2026, as required under Section 129(3) of the Act forms part of this report as **Annexure - A.**

In terms of the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and Consolidated Financial Statements, is hosted on the website of the Company at https://shaily.com/investors/compliances-policies/shaily-uk-ltd-wholly-owned-subsidiary Audited Annual Financial Statements of Shaily Innovations Limited (Formerly known as Shaily (UK) Limited) and Shaily Innovations FZCO on 31st March, 2026, are available on the website of the Company at Shaily - Investors - Compliances & Policies – Wholly owned subsidiary.

As per the audited Financial Statements for financial year ended 31st March 2026, Shaily Innovations Limited (formerly known as Shaily (UK) Limited) has ceased to be the material subsidiary of the Company as per the SEBI Listing Regulations.

The Company does not have any associate or joint venture Company.

Dividend

The Board of Directors recommended a final dividend of ₹3/- (i.e. 150%) per equity share consisting of total 4,59,95,248* equity shares of ₹2/- each aggregating to ₹13,79,85,744/-* for the year ending on 31st March 2026.

The Dividend for the year ended 31st March 2026 is subject to the approval of members at the ensuing Annual General Meeting (AGM) to be held on 28th September 2026 and will be paid within a statutory time, if approved by the members at the above-referred AGM.

*Includes allotment of 40,155 (Forty Thousand One Hundred and Fifty-Five) equity shares of ₹2/- each under the Company's ESOP Plan 2019 in May 2026.

Dividend Distribution Policy

In compliance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted and complied with Dividend Distribution Policy, which is placed at the website of the Company https://static.shaily.com/ROo8JgnUQPiO3h8HqMY0-dividend-distribution-policy-pdf

Transfer to Reserves

Pursuant to provisions of Section 134(3)(j) of the Companies Act, 2013, the company has not proposed to transfer any amount to the general reserves account of the company during the year under review.

Management Discussion and Analysis

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said regulations, Management Discussion and Analysis is set out in this Annual report. Certain statements in the said report may be forward-looking. Many factors may affect actual results, which could be different from what the Directors envisage in terms of future performance and outlook.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure B.**

Cybersecurity

Investing in robust cybersecurity measures involves implementing comprehensive, multi-layered defenses such as firewalls, intrusion detection systems, MFA on users' level and advanced encryption protocols. These measures are essential to protect sensitive data from unauthorized access. Additionally, conducting regular security audits and providing ongoing employee awareness trainings are crucial. Since human error is one of the most significant vulnerabilities, maintaining a vigilant organizational posture through these practices is vital.

Utilization of funds from proceeds of Preferential Issue

During the Financial year, the Company has not raised any funds through preferential allotment/ qualified institutional placement. Hence, this is not applicable to the Company.

Directors & Key Managerial Personnel

Retirement by Rotation

As per the provisions of the Companies Act 2013, Mr. Mahendra Sanghvi (DIN: 00084162), retires by rotation at the forthcoming 46th Annual General Meeting of the Company and being eligible offers himself for re-appointment.

Re-appointment of Whole Time/ Managing Director

Mr. Mahendra Sanghvi (DIN:00084162) was reappointed as an Executive Chairman of the Company, effective from 1st April, 2025, for a further period of three (3) years from 1st April, 2025 to 31st March, 2028 by the Board of Directors, at its meeting held on 27th July, 2024, which was approved by the members at the 44th Annual General Meeting of the Company.

Mr. Laxman Sanghvi (DIN: 00022977) was reappointed as an Executive Director of the Company, effective from 1st April, 2025, for a further period of three (3) years from 1st April, 2025 to 31st March, 2028 by the Board of Directors, at its meeting held on 27th July, 2024, which was approved by the members at the 44th Annual General Meeting of the Company.

Mrs. Tilottama Sanghvi (DIN: 00190481) was re-appointed as a Whole-time Director of the Company, effective from 1st February, 2026, for a further period of three (3) years from 1st February, 2026 to 31st January, 2029 by the Board of Directors, at its meeting held on 11th August, 2025, which was approved by the members at the 45th Annual General Meeting of the Company.

Mr. Amit Mahendra Sanghvi (DIN: 00022444) is proposed to be reappointed as a Managing Director of the Company, effective from 1st October 2026 for a further period of 5 (five) years from 1st October 2026 to 30th September 2031 by the Board of Directors, at its meeting held on 08th August, 2026, subject to approval of the members at the ensuing Annual General Meeting of the Company and subject to approval of Central Government.

Re-appointment of Independent Director

Dr. Shailesh Ayyangar (DIN:00268076) was re-appointed as an Independent Director of the Company, effective from 29th May, 2025 for the further period of five (5) years starting from 29th May, 2025 to 28th May, 2030 by the Board of Directors at their meeting held on 27th July, 2024, which was duly approved by the members at the 44th Annual General Meeting of the Company.

Key Managerial Personnel

As on 31st March 2026, the Key Managerial Personnel of the Company are Mr. Mahendra Sanghvi - Executive Chairman, Mr. Laxman Sanghvi - Executive Director, Mrs. Tilottama Sanghvi - Whole Time Director, Mr. Amit Mahendra Sanghvi - Managing Director, Mr. Paresh Jain - Chief Financial Officer and Mr. Harish Punwani - Company Secretary & Compliance Officer, in accordance with Section 203 of the Companies Act, 2013.

During the year under review, there were no changes in Key Managerial Personnel. However, Mr. Chi Hung Kam, Chief Operating Officer – Healthcare was appointed as a Key Managerial Personnel (KMP) of the Company, effective from May 2026.

Meetings of Board

The Board met five (5) times during the Financial Year. Details of the meeting(s) are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The details of the Board

Meetings with regard to their dates and attendance of each of the Directors thereat are provided in the Report on Corporate Governance forming part of this annual report.

Policy on Nomination & Remuneration

The existing policy is to have an appropriate mix of Executive and Non-executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As of 31st March, 2026, the Board had a total of eight (8) members, four (4) of whom are Executive directors and four (4) are Non-Executive Independent Directors. The Board has two Women Directors, out of which one Woman Director is an Executive Director and one-Woman Director is a Non-executive Independent Director.

The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, in accordance with SEBI (Listing Obligations and Disclosure Requirements), 2015, is available at our website at https://static.shaily.com/NVmusaHvSkCkSxPngRsT-sepl-nomination-remuneration-policy-pdf

Salient features of the Nomination & Remuneration Policy are as under:

1. Setting out the objectives of the Policy
2. Definitions for the purpose of the Policy
3. Policy for appointment and removal of Directors, Key Managerial Personnel and Senior Management.
4. Policy relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management Personnel and other employees.
5. Remuneration to Non-Executive/Independent Directors.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

Declaration by Independent Directors

The Independent Directors of the Company have given their declaration to the Company that they meet the criteria of independence as required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

Your Board of Directors confirms the integrity, expertise, experience and proficiency of the Independent Directors of the Company.

Familiarization Programme

All new Independent Directors inducted into the Board attend an orientation program. At the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining their role, function, duties and responsibilities as an Independent Director. The format of the letter of appointment is available on our website at https://static.shaily.com/86x2nOBMRpWOW5up9Pa4-specimen-letter-of-appointment-for-independent-director-pdf-pdf

The Board members are provided with necessary reports, internal policies, periodical plant visits to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the meetings of the Board and the committees, on business and performance updates, global business environment, business strategy and risks involved.

The details of familiarization Programme for Independent Directors are available at our website at https://shaily.com/investors/compliances-policies/familiarization-programe

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Board, its committees and of individual directors on an evaluation framework by way of individual and collective feedback from the Directors.

The framework includes the evaluation of Directors on various parameters such as:

- Board dynamics and relationships.
- Information flows
- Decision – making.
- Company performance and strategy
- Tracking board and committee's effectiveness
- Peer evaluation

Based on the inputs from all the Directors on Board composition and structure, effectiveness of Board processes, information, and functioning, etc., evaluation of Board's performance was done. The performance of the committees was also evaluated by the Board after seeking input from the committee members on composition, effectiveness of the committee and its meetings.

In a separate meeting of Independent Directors, performance of Non- Independent Directors and the Board as a whole was evaluated, taking into account the views of Executive Directors and Non- Executive Directors.

The Nomination & Remuneration Committee and the Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The outcome of the Board Evaluation for F.Y. 2025-26 was discussed by the Nomination and Remuneration Committee and the Board at their respective meeting(s) held on 19th May 2026.

Committees of the Board

The Board has five (5) committees, namely:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report, which forms part of this Annual Report.

During the year, there were no instances where the Board has not accepted recommendation(s) of any Committee of the Board.

Corporate Governance

The Company believes in adopting the best practices of Corporate Governance. Corporate Governance Principles are enshrined in the spirit of the Company, forming its core values. These guiding principles are also articulated through the Company's code of business conduct, corporate governance guidelines, charter of various sub-committees and disclosure policy.

Report on Corporate Governance for F.Y. 2025-26 forms part of this Annual Report.

Corporate Social Responsibility (CSR)

Being an Indian Company, we are motivated by the Indian ethos of Dharma as a key plank for organizational self-realization. The Company recognizes that its operations impact a wide community of stakeholders, including investors, employees, customers, business associates and local communities and that appropriate attention to the fulfilment of its corporate responsibilities can enhance overall performance. The Company continues its CSR spend towards support to local initiatives, health/medical and education sector, sanitation/cleanliness, Rural Development and such varied activities towards Corporate Social Responsibility initiatives.

In compliance with the requirements of Section 135 of the Act, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities undertaken during FY 2025-26 in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure C**.

Annual Return

A copy of the draft Annual Return as required under Section 92(3) of the Act has been placed on the website of the Company. The web-link as required under Section 134(3)(a) of the Act is as under.

https://static.shaily.com/I8MJWxVTQWiFXpD2u5zk-draft-a-c-4096720-mgt-7-p-df

Particulars of Employees and related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure D**.

A statement showing the names and particulars of the employees falling within the purview of Rule 5(2) and 5(3) of the aforesaid rules are provided in the Annual Report. The Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during working hours and the same will be furnished on request in writing to the members.

Audit Reports and Auditors Audit Reports

The Independent Auditors' Report on Standalone and Consolidated Financial Statements for F.Y. 2025-26 does not contain any qualification, reservation or adverse remark. The Independent Auditors' Report is enclosed with the Financial Statements in this Annual Report.

- The Secretarial Auditors' Report for F.Y. 2025-26 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure E** to the Board's Report in this Annual Report.
- As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate from M/s. Samdani Shah and Kabra, Secretarial Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations, 2015 is enclosed with the Corporate Governance Report in this Annual Report.
- The Company has obtained Certificate from M/s. Samdani Shah and Kabra, Company Secretaries, Secretarial Auditors of the Company regarding Non-disqualification of Directors, which is enclosed with the Corporate Governance Report in this Annual Report. Accordingly, none of the Directors are disqualified.

Reporting fraud by auditors

During F.Y. 2025-26, neither of the auditors, viz., Statutory Auditors, Secretarial Auditors & Corporate Governance Auditors, Internal Auditors and nor Cost Auditors have reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

Auditors

Statutory Auditors

In compliance with the provision of Section 139(1) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s B S R and Co., Chartered Accountants (Firm Registration number 128510W), were appointed as Statutory Auditor of the Company at 43rd Annual General Meeting held on September 29, 2023 till the conclusion of 48th Annual General Meeting to be held for the financial year ending March 31, 2028.

There is no qualification or adverse remark in the Auditors' report. As regards the comments made in the Auditors' Report, the Board is of the opinion that the same are self-explanatory and do not require further clarification.

Secretarial Auditors

The Board has appointed M/s. Samdani Shah and Kabra, Company Secretaries, (Firm Registration Number:

P2008GJ016300) ('Secretarial Audit Firm'), as Secretarial Auditors of the Company, to undertake the Secretarial Audit of the Company for the first term of Five (05) consecutive Financial Years from 2025-26 till 2029-30. The same was approved by the Members at the 45th Annual General Meeting, in accordance with Regulation 24A(1) of the Listing Regulations and Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time).

The Secretarial Audit Report of M/s. Samdani Shah and Kabra, Practising Company Secretaries for the financial year ended 2025-26, is annexed as **Annexure E**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

M/s Y.S. Thakar & Co., Cost Accountants, Vadodara are appointed as Cost Auditors of the Company to conduct an audit of cost records of the Company for F.Y. 2026-27.

Based upon the declaration on their eligibility, consent and terms of engagement, the Board at its meeting held on 19th May 2026, has appointed the Cost Auditors, and recommends the ratification of remuneration to be paid to the Cost Auditors for F.Y. 2026-27 to the shareholders of the Company.

Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is applicable to the Company and accordingly such accounts & records are prepared and maintained, as required, from time to time.

Internal Auditors

M/s Jain & Hindocha, Chartered Accountants, based at Vadodara, are appointed as Internal Auditors of the Company to conduct an internal audit of the Company for F.Y. 2026-27.

Based upon the declaration on their eligibility, consent and terms of engagement, the Board at its meeting held on 19th May 2026, has appointed the Internal Auditors for F.Y. 2026-27.

Business Responsibility and Sustainability Report

Report on Business Responsibility and Sustainability, in the format as prescribed by the Securities and Exchange Board of India, forms part of the Board's Report and annexed at **Annexure F**.

Policy on Business Responsibility and Sustainability Reporting is available on the Company website at weblink https://static.shaily.com/2KfgCI1USEm3mfq4QcmR-brsr-policy-pdf

Risk Management

The Company has a mechanism in place to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These risks along with the ways to mitigate them have been discussed at the meetings of the Risk Management Committee, Audit Committee and the Board of Directors of the Company.

The Risk Management Policy of the Company consists of various risks associated and plans to mitigate the same. The Risk Management Policy of the Company is available on the website of the Company at weblink. https://static.shaily.com/xPWCj6xeT06ZOyzinzhU-sepl-risk-management-policy-pdf

Vigil Mechanism

The Company has a well-defined "Whistle Blower Policy" and has established a robust Vigil Mechanism for reporting of concerns raised by employees and to provide for adequate safeguards against victimization of Directors and employees who follow such mechanism and has also made provision for direct access to the Chairman of Audit Committee in appropriate cases.

The Vigil Mechanism Policy of the Company is available on the Company's website at weblink https://static.shaily.com/6YQbFHzPS1eqWAVJ3sIk-sepl-vigil-mechanism-policy-pdf

Internal Financial Control & its Adequacy

The Company's internal control procedures, which include internal financial controls, ensure compliance with various policies, practices and statutes and keep in view the organization's pace of growth and increasing complexity of operations. The internal auditors team carries out extensive audits throughout the year across all plants and functional areas and submits its reports to the Audit Committee of the Board of Directors.

Shares Capital and Debt Structure

a. SHARE CAPITAL

During the year under review the Total Authorized Share Capital is ₹16,00,00,000 (Rupees Sixteen Crores only) comprising of 8,00,00,000 (Eight Crores only) Equity Shares of ₹2/- (Rupees Two only) each and paid-up, issued and subscribed share capital of the company is ₹9,19,10,186/- (Rupees Nine Crore Nineteen Lakhs Ten Thousand One Hundred and Eighty-Six Only).

Pursuant to allotment of 40,155 (Forty Thousand One Hundred and Fifty-Five) equity shares under 'ESOP Plan 2019' in May 2026, the paid-up equity share capital of the Company has increased from 4,59,55,093 equity shares of ₹2/- each to 4,59,95,248 equity shares of ₹2/- each.

b. EMPLOYEES STOCK OPTION PLAN

As on financial year ended on March 31, 2026, the Company has one employees stock option plan i.e. Shaily Employee Stock Option Plan 2019 ("ESOP 2019"). In accordance with the terms of ESOP 2019, options may be granted to employees of the Company which gives them rights to receive equity share of the Company having face value of ₹2/- (Indian Rupee Two) each on vesting.

The Company confirms that the ESOP 2019 is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 ('SBEB Regulations, 2014') and amended as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB Regulations 2021) in the meetings held on 8th February 2023.There has been no change in the Scheme except regulatory amendments as per SBEB Regulations 2021.

Further, the details as required to be disclosed under Regulation 14 of the SBEB Regulations, 2014 can be accessed at https://shaily.com/investors/other-disclosures and ESOP plan of the Company can be accessed at https://static.shaily.com/jmyTYJj5T926hB5E73oh-sepl-esop-revised-pdf

During the period under review, the Company has not allotted any Equity Shares to the Eligible Employees of the Company under ESOP 2019. However, The Company has allotted 40,155 (Forty Thousand One Hundred and Fifty-Five) equity shares of ₹2/- each to eligible employees upon exercise of Option under the Company's ESOP Plan 2019 in May 2026. Pursuant to this allotment, the paid-up equity share capital of the Company has increased from 4,59,55,093 equity shares of ₹2/- each to 4,59,95,248 equity shares of ₹2/- each.

A certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with SEBI (Share Based Employee Benefits) Regulations 2021 and the resolution passed by the members, shall be placed at the ensuing Annual General Meeting for inspection of the members electronically.

Insurance

All the properties and assets of the Company are adequately insured.

Code of Conduct

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior management which is available on Company's website at link https://static.shaily.com/dWP7hcZHQjC9ueTpqBYt-company-code-of-conduct-policy-pdf. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

Insider Trading Policy

As required under the Insider Trading Policy Regulations of SEBI and amendments thereto, your directors have framed the Insider Trading Regulations and Code of Internal Procedures and Conducts for Regulating, Monitoring and Reporting of Trading by Insider as well as Code of Practices and Procedures for Fair Disclosure of Unpublished Sensitive Information. The same is also posted on the website of the Company at https://static.shaily.com/p09OdwXOQie9ekdthL06-annexure-pit-policy-final-pdf

Nomination And Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for the selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy on the appointment and remuneration of Directors and Key Managerial Personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The policy is available on website of the Company at link https://static.shaily.com/NVmusaHvSkCkSxPngRsT-sepl-nomination-remuneration-policy-pdf.

Contracts & Arrangements with Related Parties

All contracts/ arrangements entered into by the Company during the Financial Year with related parties were in an ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any contracts/ arrangements/ transactions with related parties which could be considered material.

Hence, there is no information to be provided as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Directors draw attention to the members to Note No. 33 to the Standalone and Consolidated Financial Statements in this Annual Report, which sets out related party disclosures.

Particulars of Loans, Guarantees or Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in this Annual Report.

Deposits

The Company has not accepted deposits from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Therefore, the requirement of applicable laws and regulations for disclosure of details of deposits under section 134(3)(q) of the Companies Act, 2013 and rule made thereunder is not applicable.

Secretarial Standards

The Company complies with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

Obligation of Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company strongly believes in providing a safe and harassment-free workplace for each individual working for the Company. The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'). An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary and trainees) are covered under this Policy. The policy is available on the website of the Company at https://static.shaily.com/Mh3QjKaT3CWqAFWt9bnK-sepl-hr-010-anti-sexual-harrasment-policy-pdf

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In terms of Section 22 of the POSH Act, we report that during the reporting period:

A	Number of complaints of sexual harassment received in the year;	1 (One)
B	Number of complaints disposed off during the year; and	1 (One)
C	Number of cases pending for more than ninety days	0 (Zero)

Compliance with Maternity Benefit Act:

The Company has duly complied with the provisions of the Maternity Benefit Act, 1961 and its amendments. All eligible women employees have been extended the maternity benefits as prescribed under the Act. The Company has also ensured adherence to provisions relating to maternity leave, nursing breaks, and crèche facilities.

Material Changes and commitments

There have been no material changes and commitments from the close of F.Y. 31st March 2026 till the date of the Board's report, which may affect the financial position of the Company.

Change in the nature of business

There has been no change in business of the Company.

Significant/material orders passed by Regulators/ courts/tribunal

There are no significant and material orders passed by the Regulators or Courts or Tribunals that may impact the going concern status of the Company's operations in future.

Green Initiative

46th Annual General Meeting

Electronic copies of the Annual Report 2025-26 and the Notice of the 46th Annual General Meeting are being sent to all members whose email addresses are registered with the Registrar & Share Transfer Agents (RTA) of the Company /Depository participant(s).

It is hereby requested to all the shareholders to kindly update your email address with your Depository Participant in case shares are held in Demat and with the Company's Registrar and Transfer Agent in case shares are held physically to ensure timely receipt of required information.

The regulatory authorities i.e. Ministry of Corporate Affairs ("MCA") has vide its General Circular (GC) No. 20/2020 dated 5th May 2020 read with GC No.14/2020 dated 8th April, 2020, GC No. 17/2020 dated 13th April 2020, and General Circular No. 03/2025 dated 22nd September, 2025 permitted the Companies for holding of the Annual General Meeting ("AGM") through Video Conferencing/Other Audio Visual Means ("VC/ OAVM"), without the physical presence of the Members at a common venue up to 30th September 2026. Accordingly, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue.

Details of the meeting and the facility are provided in the Notice of the 46th Annual General Meeting.

Application(s) made/proceedings pending under the Insolvency and Bankruptcy Code, 2016

The Company has neither made any application(s) nor any proceedings pending against the company under the Insolvency and Bankruptcy Code, 2016.

General Disclosures:

The Company does not have any scheme of provision for the purchase of its own shares by employees or by trustees for the benefit of employees.

The Managing Director and the Whole Time Directors during F.Y. 2025-26 have not received any amount as commission from the Company.

Mr. Amit Mahendra Sanghvi, Managing Director of the Company has received total remuneration of AED 3.25 mn during F.Y. 2025-26 from the Shaily Innovations FZCO, Dubai, UAE. (It was duly approved by the members at the 45th Annual General Meeting of the Company.)

There was no Voluntary Revision of Financial Statements or Board's Report

The Company does not have any Holding Company.

During F.Y. 2025-26, there was no instance of one-time settlement with any Bank or Financial institution. Hence, the disclosure requirement in the context is not applicable.

Directors' Responsibility Statement

In terms of the provisions of the Companies Act 2013, the Directors confirm that.

- In preparation of the annual accounts for the F.Y. ended 31st March 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- They have selected such accounting policies and applied them consistently and made judgements 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 and of profit and loss of the Company for that period.
- They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- They have prepared the annual accounts on a going-concern basis.
- They have laid down internal financial controls to be followed by the Company, which are adequate and are operating effectively; and

They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Acknowledgements

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth is made possible by their hard work, solidarity, cooperation and support.

We also thank our suppliers, customers, business partners and others associated with the Company. We look upon them as partners in its progress. It will be Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect to and co- operation with each other, consistent with consumer interests and looks upon all the stakeholders for their continued support in future.

For and on behalf of the Board of Directors

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Place: Vadodara
Date: 08th August 2026

Annexure - A

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint Ventures

Part – A Subsidiary

	Name of Subsidiary		Shaily Innovations Limited (formerly known as Shaily (UK) Limited)	Shaily Innovations FZCO
A	Date when subsidiary was acquired	:	15th September, 2021	01st January 2025
B	Reporting Currency	:	GBP	AED
C	Exchange Rate	:	Refer Note 7	Refer Note 8

Sr. No.	Particulars			Amount (₹ in lacs)
1.	Share Capital	:	1,125.14	23.38
2.	Reserves & Surplus	:	5,783.29	938.93
3.	Total Assets	:	7,608.26	2742.40
4.	Total Liabilities	:	699.83	1780.09
5.	Investments	:	-	-
6.	Turnover	:	4,986.09	1960.82
7.	Profit before Taxation	:	1,084.65	970.97
8.	Provision for taxation	:	137.40	79.27
9.	Profit after taxation	:	947.25	891.70
10.	Proposed Dividend	:	979.19	-
11.	% of shareholding	:	100%	100%

Notes:

1. Name of subsidiaries which are yet to commence operations: **Not Applicable**
2. Name of subsidiaries which have been liquidated or sold during the year: **Not Applicable**
3. Reporting period of the subsidiary is same that of the Holding Company i.e. of Shaily Engineering Plastics Ltd.: **Yes**
4. There are no Associates/ Joint Ventures of the Company.
5. As on 31st March, 2026, Share Capital of Shaily Innovations Limited (formerly known as Shaily (UK) Limited) consists of 2,00,000 equity shares of GBP 1/- each fully paid up and 9,00,000 non-convertible preference shares of GBP 1/- each fully paid up
6. As on 31st March, 2026, Shaily Innovations FZCO consists of 1,00,000 equity shares of AED 1/- each fully paid up.
7. Exchange Rate for items in the above table at Sr. No. 1 for Shaily Innovations Limited (formerly known as Shaily (UK) Limited) is 1 GBP* = ₹101.99, 100.96, 92.27, 99.84, 105.18, 103.88, for Sr. No. 2, 6,7,9 is 1 GBP = ₹118.44, for Sr. 3 & 4 is 1 GBP = ₹125.63.

   Note: Break up of Share capital 200000x102.53; 400000x99.84; 100000x105.18; 400000x103.88
8. As on 31st March, 2026, Shaily Innovations FZCO consists of 1,00,000 equity shares of AED 1/- each fully paid up.

   Exchange Rate for items in the above table at Sr. No. 1 for Shaily Innovations FZCO is 1 AED* = ₹23.38,

   for Sr. No. 2, 6,7,9 is 1 AED = ₹24.05, for Sr. 3 & 4 is 1 AED = ₹25.69.

   Note: Break up of Share capital 100000x23.38

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Mahendra Sanghvi
Managing Director
DIN: 00022444

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Date: 08th August, 2026
Place: Vadodara

Annexure - B

Information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts), Rules, 2014 pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo:

Shaily is committed to transform energy conservation into a strategic business goal along with technological sustainable development of Energy Management System. The Company constantly endeavours to reduce energy consumption in all its operations.

Shaily has in its credit an in-house Research & Development accreditation recognized by the Department of Scientific & Industrial Research Technology, New Delhi, Ministry of Science & Technology.

(A) Conservation of Energy

The Company has considered sustainability as one of the strategic priorities across all processes. We have been consciously making efforts year on year towards improving energy performance. Energy-efficient improvement techniques are implemented across all the plants and offices.

(i) Steps taken or impact on conservation of energy:

- The Company has installed a number of devices in its plants for conservation/reducing the energy requirements.
- CFL bulbs are being replaced with LED lightning with less energy consumption.
- Monitoring of energy parameters viz., maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- Upgradation of transformer to On-Load Tap Changer (OLTC) base which reduces power loss, consumes lesser energy with reduced maintenance cost and increase in load capacity.
- Use of higher cavitation moulds which can provide same output with lesser energy consumption.
- Use of “Stack moulds” which produces different components of the same product at a single time in a single machine, which were earlier manufactured in different machines. This resulted into higher machine utilization rate, reduction in cycle time, enhanced production and better efficient usage of energy.
- Installation of pneumatic auto shut-off valves in in-let pipes at moulding area, thereby achieving reduction in idle time power losses.
- Replacement of individual portable chillers with Centralized chilling plant for moulding shop floors, thereby achieving reduction in overall power consumption.
- Periodical conduct of safety audits to ensure efficiency of safety measures adopted across all facilities.
- The company has RO installed and the reject water is further used in flushing in washroom,
- Reduction of water consumption in new facility of pharma unit by Adiabatic cooling tower.
- Use of Individual lights at respective desks to switch off when not in use, thereby reducing power consumption.
- Installation of Capacitor bank to maintain power factor 0.98-0.99, thereby reduction in overall power consumption.
- Use of occupancy sensor in Corridor and Washroom.
- Fossil fuel (diesel) zero consumed in Halol unit (plastic & carbon steel plant). The company has achieved target of zero fossil fuel consumption in FY 2025-26.
- The Company has achieved 100 % consumption through renewable sources in FY 2025-26.
- The company has changed Air compressor from reciprocating to screw compressor with Variable Frequency Drive (VFD) and Permanent Magnet (PM) Motor for power saving.
- The company has introduced High volume low speed (HVLS) fan (In New Pharma Plant, Halol Plastic, CS, Rania) for Power saving.
- The company has been awarded with Energy Management Certificate ISO 50001:2018 on 2nd Sep 2024.
- The company has successfully retrofitted ten hydraulic injection moulding machines with servo-based energy-efficient systems, significantly contributing to energy conservation.
- Additionally, the company has implemented the reuse of second-stage RO-treated water in the cooling tower backfilling process, resulting in substantial water savings by utilizing water rejected from the main RO process plant.
- The company has installed Rainwater harvesting recharge well and it can be capable to recharge of water approx. 103680 m3/year against consumption of 71000m3/year.
- The company has achieved 2.60% MT CO2 emission Saving through Diesel consumption in Scope-1.
- The company has achieved 7.30% MT CO2 emission Saving through Renewable energy in Scope-2.

(ii) Steps taken for utilizing alternate sources of energy:

- The Company has successfully installed rooftop Solar Power System having a capacity of 1.3 MW in Halol Plastic and Carbon Steel Plant.
- The Company has made Purchase Power Agreement with Kutch Windfarm Development Private Limited and Trinethra Wind and Hydro Power Private Limited.

(iii) Capital investment on energy conservation equipments:

The Company continuously endeavors to discover usages of new technologies and tools to save the energy and reduce consumption. The Company has installed such energy efficient machinery and devices to improve the power factor.

The Company has procured all electric injection molding machines and robot with servo motor and drive in the new pharma unit with a low power consumption.

(B) Technology Absorption

(i) Efforts made towards technology absorption:

Research and Development:

- The Company has developed and manufactured several dies and moulds and has also developed several plastic components, which were earlier imported. The activities in development are carried out by technicians, and the expenditure thereon is debited to the respective heads.
- Development of new design, processes and products from conceptualization to manufacture, for some customers.
- Development of complex designs for components of medical devices.
- Successful in conversion of products manufactured from virgin material to recycled and bioplastics material.
- Development and set up of assembly machine and assembly line for injector pens to detect manual errors, thereby increasing productivity.
- Installation of "Harmonic Arresters" in electrical circuits, which reduces damage due to electricity fluctuations, thereby reduction in repairs & maintenance and overall power consumption.

Technology absorption, adaption and innovation:

- The Company has manufactured varied plastic components of international standard/ quality, which are import substitutes for diverse applications. Kaizen and Lean Sigma form a significant part of our strategy, resulting in improvement across the business landscape.
- Use of Robotics in the production process, yielding into reduced cycle time, improvement in productivity and process efficiencies.
- Latest Technology for Part inspection – Metrotom 6-Scoutt CT Scanning Machine for thoroughly inspection of porosity, internal defects, correct measuring in micron particular for pharma devices.
- The company having a facility of Coordinate Measuring Machine(CMM) which is one of the most powerful metrological instruments.
- The company has built New toolroom for mould manufacturing facility with latest hi-tech machinery like Georg Fischer, Yasda, Makino, Okamoto, Mitutoyo, Carle Zeiss, Keyence, Mecmesin etc.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

- Continuous upgradation and adoption of new technology for better productivity and yield.
- The company has, through its own research and development activities, developed several dies and moulds, which serve as an import substitution.
- Such varied plastic components of international standard/quality are import substitutes for diverse applications.
- Improved performance of machines and their utilization.
- Enhanced global presence/visibility.

(iii) Information regarding technology imported during the last 3 years: Nil.

(iv) Expenditure incurred on Research & Development:

During the year, the expenditure incurred on R&D was ₹ NIL

(C) Foreign Exchange Earnings and Outgo

The Company continues to keep its focus on widening the new geographical area to augment its exports. We have in the past participated in major overseas exhibitions, which have been very helpful in improving the visibility of the services/products we offer in the International Market.

Foreign exchange earned in terms of actual inflows during the financial year 2025-26 was **₹195.55 Cr.**

The foreign exchange outgo of actual outflows during the financial year 2025-26 was **₹258.99 Cr.**

For and on behalf of Board of Directors

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Place: Vadodara
Date: 08th August, 2026

Annexure - C

Annual Report on Corporate Social Responsibility ('CSR') Activities for the F.Y. 2025-26

Brief outline on CSR Policy of the Company:

CSR is not a mere philanthropic activity but also comprises of activities that require a company to integrate social, environmental and ethical concerns into the company's vision and mission through such activities. Shaily's vision is to create value for the nation, enhance quality of life across the entire socio-economic spectrum and build an inclusive India. We constantly strive to contribute in humble ways to the motto **"May Everyone be Happy"** and take up the cause of welfare amongst communities in which we operate.

The Company's CSR Policy provides for carrying out CSR activities as prescribed under Schedule VII to the Companies Act, 2013, through various "Not for profit" Organization (NGO's) as well as through direct channel.

Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ranjit Singh	Chairman - Independent Director	2	2
2	Laxman Sanghvi	Member - Executive Director	2	1
3	Tilottama Sanghvi	Member - Whole Time Director	2	2
4	Sangeeta Singh	Member - Independent Director	2	2

Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Weblink of Composition of CSR Committee:

https://www.shaily.com/investors/compliances-policies/committees-of-boards-key-officials

Weblink of CSR Policy:

https://static.shaily.com/9ya3b6FTR1eEJa4s8bik-sepl-csr-policy-pdf

Weblink of CSR Projects of the Company:

https://static.shaily.com/E63SZzw0RjWN8hwWyjLZ-csr-action-plan-for-financial-year-2025-pdf

Provide the executive summary along with web-link(s) of Impact Assessment of CSR Project carried out in pursuance of sub-rule (3) of rule 8, if applicable.

As per the referred rule, if the Company has an average CSR obligation of ₹10 crore or more in the immediately three preceding years, Impact Assessment Report is required for those CSR projects which have an outlay of ₹1 crore or more. The average CSR obligation in immediately three preceding years and the CSR projects of the Company as approved by the CSR Committee and the Board of Directors, does not fall under the criteria specified, hence obtaining Impact Assessment Report is Not Applicable to the Company.

5.

a.	Average net profit of the company as per sub-section (5) of section 135	:	₹580,176,846 /-
b.	Two percent of average net profit of the company as per sub-section (5) of section 135	:	₹11,603,537 /-
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous Financial Year	:	NIL
d.	Amount required to be set off for the Financial Year, if any	:	₹849,695/-
e.	Total CSR obligation for the Financial Year [(b)+(c)-(d)]	:	₹10,753,842 /-

6.

a.	Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project)	:	₹11,414,178/-
b.	Amount spent in Administrative Overheads	:	NIL
c.	Amount spent on Impact Assessment, if applicable	:	NIL
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]	:	₹11,414,178/-

CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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. (In ₹)	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹11,414,178/-	-	-	-	-	-

Excess amount for set off, if any: Not Applicable

Sl. No.	Financial Year	Amount required to be set-off for the Financial Year, if any (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	₹11,603,537 /-
(ii)	Total amount spent for the Financial Year	₹11,414,178/-
(iii)	Excess amount spent for the Financial Year[ii)-(i)]	₹(189,359)/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Year, if any	₹849,695/-
(v)	Amount available for set off in succeeding Financial Year [(iii)-(iv)]	₹660,336/-

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

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (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 sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
Not Applicable								

Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ✓ No

If Yes, enter the number of Capital assets created / acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or assets(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.:

Not Applicable.

Place: Vadodara
Date: 08th August 2026

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Ranjit Singh
Chairman – CSR Committee
DIN: 01651357

Annexure - D

As per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to disclose the following information in the Board's Report:

1. Ratio of Remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2025-26:

Name of Director	Designation	Detail
Mr. Mahendra Sanghvi	Executive Chairman	228.2
Mr. Laxman Sanghvi	Executive Director	36.7
Mrs. Tilottama Sanghvi	Whole Time Director	36.7
Mr. Amit Mahendra Sanghvi	Managing Director	0

Note: Independent Directors are not paid remuneration or commission. They are only paid sitting fees for attending meetings of the Board and Committees thereof.

2. Percentage increase in remuneration of each Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the financial year 2025-26:

Name	Designation	% Increase/ (Decrease)
Mr. Mahendra Sanghvi	Executive Chairman	78.6%
Mr. Laxman Sanghvi	Executive Director	11.7%
Mrs. Tilottama Sanghvi	Whole Time Director	34.0%
Mr. Amit Mahendra Sanghvi	Managing Director	0
Mr. Sanjay Shah	Chief Strategy Officer	12.4%
Mr. Paresh Jain	Chief Financial Officer	9.7%
Mr. Harish Punwani	Company Secretary	44.1%

3. Percentage increase in median remuneration of employees in the financial year 2025-26:

The median remuneration of employees was increased by 4.7% during the Financial Year 2025-26.

Number of permanent employees on the role of the Company:

Staff:	941
Permanent Workers:	389

4. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Non - Managerial Personnel:	10.00%
Managerial Personnel:	14.67%
Total	12.34%

There are no exceptional circumstances for an increase in managerial remuneration.

5. Affirmation

We affirm that the remuneration paid to the Managerial and Non-Managerial personnel is as per the remuneration policy of the Company.

For and on behalf of the Board

Mahendra Sanghvi
Executive Chairman
DIN:00084162

Place: Vadodara
Date: 08th August 2026

Annexure - E

Secretarial Audit Report

For the Financial Year ended March 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Shaily Engineering Plastics Limited
Survey No. 364 / 366,
At & Po. Rania,
Taluka - Savli,
Vadodara - 391780,
Gujarat, India.

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2026 ("review period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

i. The Companies Act, 2013 ("Act") and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

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

   a. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions/ events pursuant to these regulations, hence not applicable.

   b. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   c. SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.

   d. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. SEBI (Prohibition of Insider Trading) Regulations, 2015;

   f. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

   g. SEBI (Delisting of Equity Shares) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;

   h. SEBI (Depositories and Participants) Regulations, 2018;

   i. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;

   j. SEBI (Debenture Trustees) Regulations, 1993; However, there were no actions / events pursuant to these regulations, hence not applicable.

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

i. Secretarial Standards ("Standards") issued by The Institute of Company Secretaries of India; and

ii. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that;

A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the review period;

B. Adequate notice is generally given to all the Directors to schedule the Board Meetings, Agenda and detailed Notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting;

C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;

D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;

E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. having major bearing on the Company's affairs.

S. Samdani
Partner

Samdani Shah and Kabra
Company Secretaries
FCS No. 3677 I CP No. 2863

ICSI Peer Review No. :7619/2026
ICSI Unique Code: P2008GJ016300
ICSI UDIN: F003677H001057257

Place: Vadodara I Date: August 08, 2026

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

Appendix-A

The Members,
Shaily Engineering Plastics Limited
Survey No. 364 / 366,
At & Po. Rania,
Taluka - Savli,
Vadodara - 391780,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.

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

iii. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.

iv. 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 Company's affairs.

S. Samdani
Partner

Samdani Shah and Kabra
Company Secretaries
FCS No. 3677 | CP No. 2863

ICSI Peer Review No.: 7619/2026
ICSI Unique Code: P2008GJ016300
ICSI UDIN: F003677H001057257

Place: Vadodara | Date: August 08, 2026

Annexure - F

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L51900GJ1980PLC065554
2.	**Name of the Listed Entity**	Shaily Engineering Plastics Limited
3.	**Year of incorporation**	18/04/1980
4.	**Registered office address**	Survey no. 364/366, AT & PO. Rania, Taluka Savli, District Vadodara - 391780 Gujarat India
5.	**Corporate address**	Survey no. 364/366, AT & PO. Rania, Taluka Savli, District Vadodara - 391780 Gujarat India
6.	**E-mail**	secretarial@shaily.com
7.	**Telephone**	+91 75748 05122 / +91 75748 05181
8.	**Website**	www.shaily.com
9.	**Financial year for which reporting is being done**	F.Y. 2025-26
10.	**Name of the Stock Exchange(s) where shares are listed**	1. BSE Limited 2. National Stock Exchange of India Limited
11.	**Paid-up Capital**	₹9,19,10,186
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Harish Punwani, Company Secretary Telephone: +91 75748 05122 / +91 75748 05181 Email: secretarial@shaily.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone 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)**	This report is being prepared on a Standalone basis.
14.	**Name of assurance provider**	Shaily is not falling under Top 500 Listed Companies as per Market Capitalization on March 31, 2026, and hence this is not applicable.
15.	**Type of assurance obtained**	

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Plastic products, non-metallic mineral products, rubber products, fabricated metal products	100%

17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/ Service	NIC Code	% of total Turnover contributed
1.	Plastic products, non-metallic mineral products, rubber products, fabricated metal products	22209	100%

III. Operations

18. Number of locations where plants and/ or operations/ offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6	3	9
International	0	3	3

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	14
International (No. of Countries)	31

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

Exports contributed 67.7% of the total turnover of the entity for the FY 2025-26.

c. A brief on types of customers

Shaily Engineering Plastics Limited is engaged in the manufacture & supply of high precision injection moulded plastic components/ products which are supplied across multiple industries, viz.

- Home furnishings
- Medical devices, packaging
- FMCG
- Automotive
- Appliances
- Electronics, LED lightings
- Engineering & others
- The Company manufactures & supplies medical devices on contract manufacturing basis & also supplies medical devices where the IP is owned by the Company
- The Company manufactures moulds & dies which are also supplied to the customer

IV. Employees

20. Details as at the end of Financial Year: 2025-26

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	705	660	93.62%	45	6.38%
2.	Other than Permanent (E)	236	218	92.37%	18	7.63%
3.	**Total employees (D + E)**	**941**	**878**	**93.30%**	**63**	**6.70%**
	Workers					
4	Permanent (F)	91	91	100%	0	0.00%
5.	Other than Permanent (G)	2170	1302	60.00%	868	40.00%
6.	**Total workers (F + G)**	**2261**	**1393**	**61.61%**	**868**	**38.39%**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently abled employees					
1.	Permanent (D)	1	1	100%	0	0.00%
2.	Other than Permanent (E)	1	1	100%	0	0.00%
3.	**Total employees (D + E)**	**2**	**2**	**100%**	**0**	**0.00%**
	Differently abled workers					
4.	Permanent (F)	0	0	0.00%	0	0.00%
5.	Other than Permanent (G)	5	5	100%	0	0.00%
6.	**Total workers (F + G)**	**5**	**5**	**100%**	**0**	**0.00%**

21. Participation/ Inclusion/ Representation of women

Particulars	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Managerial Personnel	2	0	0%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.07%	1.38%	21.45%	13.6%	1.2%	14.8%	17.5%	1.5%	19%
Permanent Workers	0.00%	0.00%	0.00%	2%	0%	2%	2%	0%	2%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. 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.	Shaily Innovations Limited (Formerly known as Shaily (UK) Limited)	Wholly Owned Subsidiary	100%	No
2.	Shaily Innovations FZCO, Dubai, UAE	Wholly Owned Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: YES

(ii) Turnover (In ₹) **921,19,80,778/-**

(iii) Net worth (In ₹) **649,45,91,015/-**

VII. Transparency and Disclosures Compliances

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 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 https://static.shaily.com/5i6feMgKRqCZ7PKDUL5A-sepl-hr-012-business-partner-code-of-conduct-pdf	0	0	0	0	0	0
Investors (other than shareholders)	Yes https://static.shaily.com/5i6feMgKRqCZ7PKDUL5A-sepl-hr-012-business-partner-code-of-conduct-pdf	0	0	0	0	0	0
Shareholders	Yes https://shaily.com/investors/online-dispute-resolution	0	0	0	1	0	Company received one complaint from shareholder and the same was disposed within the given timeline
Employees and workers	Yes https://static.shaily.com/0sVWG35vSfDuDKLNOYBD-sepl-hr-005-grievance-routines-policy-r-4-10-04-2025-p-df	0	0	0	0	0	0
Customers	Yes https://static.shaily.com/5i6feMgKRqCZ7PKDUL5A-sepl-hr-012-business-partner-code-of-conduct-pdf	0	0	0	0	0	0
Value Chain Partners	Yes https://static.shaily.com/5i6feMgKRqCZ7PKDUL5A-sepl-hr-012-business-partner-code-of-conduct-pdf	0	0	0	0	0	0
Other (please specify)	Yes	0	0	0	0	0	0

26. Overview of the entity's material responsible business conduct issues

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

Sr. 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	Energy Conservation	Opportunity	There is a direct relation of cost savings & energy conservation and usage of renewable energy. Shaily is committed to transforming energy conservation into a strategic business goal along with the technological sustainable development of Energy Management System. The Company constantly endeavours to reduce energy consumption in all its operations.	-	Positive
2	Occupational Health and Safety (OHS) and Environment Safety	Risk & Opportunity	**Risk:** Inherently associated with business activities and processes. **Opportunity:** Strong internal controls and governance mechanism are in place at each of the factory. This improves the employee/ worker safety and overall health wellbeing, leading to improved productivity.	Company carries out regular assessments of all the health & environment risks. Various methods are employed to mitigate the risks. There is a proper Grievance Redressal Policy in place to resolve the grievances.	Positive
3	Social Responsibility	Opportunity	Shaily's vision is to create the value for the nation, enhance quality of life across the entire socio-economic spectrum & build an inclusive India. We constantly strive to contribute the motto "May Everyone be Happy" & take up the cause of the welfare amongst the society. The Company's CSR policy provides for carrying out CSR activities as prescribed under Schedule VII to the Companies Act 2013, through various NGO's as well as through other channels.	-	Positive
4	Water Conservation	Risk & Opportunity	**Risk:** Water is very important especially in production. The scarcity of water can lead to hinderances in production. Non-compliance with water-related regulations and permits can result in legal and financial penalties. Inadequate water supply or disruptions in water availability can impact production schedules and lead to delays, downtime, or reduced productivity. **Opportunity:** Implementing water conservation measures can lead to significant cost savings by reducing water consumption and associated expenses, such as water supply and wastewater treatment costs	Installation of water flow meters to ensure effective water balance monitoring. Installation of Rainwater Harvesting infrastructure Installation of water-efficient plumbing fixtures Adopted zero wastewater discharge practices. Adopted water management plan that outlines strategies for mitigating risks, such as diversifying water sources, implementing water monitoring systems and establishing contingency plans for water shortages or disruptions.	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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://shaily.com/investors/compliances-policies/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of thenational and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA ISCC Plus Certification RecyClass Certification	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) ISO 14001:2015 BIS for LED Products URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA BEE for LED bulb B22	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA IS10322 (PART 5/ SEC 1): 2026 (Fixed General Purpose LED Luminaires) IS 10322 (PART 5/SEC 2): 2026 (Recessed LED Luminaires)	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA

							IS 10322 (PART 5/SEC 3): 2026 (LED Luminaires for Road and Street lighting IS 10322 (PART 5/ SEC 5): 2026 (LED Flood Lights) IS 16102 (PART 1) : 2026 (Self-Ballasted LED Lamps for General Lighting Services) IS 17632:2022 (General Purpose Chairs and Stools – Specification) IS 17633:2022 (Tables and Desks – Specification) IS 17634:2022 (Storage Unit – Specification)		
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):

Shaily, has always been a frontrunner in sustainability. As a corporate citizen we have responsibility towards environment and society. Shaily is committed towards optimal use of renewable sources of energy by reducing its dependency on non-renewable resources of energy. In FY 26 the company has gone extra mile to disclose the BRSR core parameters. In FY 26 we consumed 129555590 Kwh energy through renewable sources. This shows our commitment towards reducing carbon footprint and to contribute more to the sustainable ecosystem. We are pleased to announce that the company achieved zero fatalities in FY 2025-26, underscoring our efforts towards protection of our employees and communities. Our responsibility towards society extends beyond the organisation. Through our CSR programmes, we undertake various programmes for upliftment of underprivileged section of the society.

At Shaily, sustainability is a base of strong foundation. We are committed to driving positive change, both within the organisation and the community. We believe together we can build a more sustainable future for the next generation.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Amit Mahendra Sanghvi Designation: Managing Director DIN:00022444 Email: secretarial@shaily.com
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 has constituted a Risk Management Committee (RMC) consisting of Directors who looks after the sustainability issues

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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Any other Committee									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Any other Committee									Annually								

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	No								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

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	1	The Board of Directors and KMPs are regularly apprised with the changes in SEBI LODR Regulations, Companies Act 2013, and other relevant laws and regulations	100%
Key Managerial Personnel	1		100%
Employees other than BoDs and KMPs	91	The organization remains committed to fostering a culture of safety, ethics, and continuous learning. Our comprehensive training framework encompasses **Environmental Stewardship:** Chemical Material Handling, Energy Management, and Waste/Hygiene Awareness.	100%

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
Workers	150+	**Social Responsibility (People & Safety):** Health and Safety, First Aid, Firefighting, Prevention of Sexual Harassment (POSH), and Social Compliance. **Human Capital Development:** Technical Training, Six Sigma, Soft Skill Development, and Behavioural Training. **Governance & Integrity:** Business Ethics, Good Documentation Practices (GDP), and Good Manufacturing Practices (GMP). To ensure the holistic development and protection of our human capital, we conduct rigorous classroom and on-the-job training. **Occupational Health, Safety & Environment (HSE):** Comprehensive safety training including Health & Safety, PPE usage, Chemical Handling, Firefighting, First Aid, and Occupational Health Centre (OHC) awareness. **Human Rights & Social Governance:** Specialized sessions on Social Compliance, Prevention of Sexual Harassment (POSH), Maternity Benefits, Grievance Redressal, and Security Awareness. **Operational Excellence & Quality:** Continuous improvement through Six Sigma, Good Manufacturing Practices (GMP), Good Documentation Practices (GDP), and Energy Management. **Holistic Employee Development:** Upskilling via Technical Training, Soft Skills, Behavioural Training, and Hygiene Awareness.	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 H)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

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	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

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
Nil	Nil

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.

Guided by a documented Anti-Bribery Policy, the Company integrates ethical conduct into its core strategy. Beyond mere compliance, this policy reinforces our commitment to transparent stakeholder relationships and provides a clear roadmap for employees to uphold the highest standards of professional integrity globally."

The anti-corruption or anti-bribery policy is available on the website: https://static.shaily.com/UgVljxROT66oU2FXXFYO-sepl-hr-001-anti-bribery-policy-eng-guj-pdf

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

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

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.** During the FY 2025-26 there were no cases of corruption or conflict of interests

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

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	73	77

9. **Open-ness 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:**

Particulars	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading house where purchases are made from	0%	0%
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	N.A.	N.A.
	b. Number of dealers/ distributors to whom sales are made	N.A.	N.A.
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	N.A.	N.A.
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	0%	0.003%
	b. Sales (Sales to related parties/ Total Sales)	0%	0.003%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	96.11%	0
	d. Investments (Investments in related parties/ Total Investments made)	100%	100%

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 covered under the partners covered (by value of business done with such partners) under the awareness programmes
26	• Social Compliance • Business Ethics and Code of Conduct • Occupational Health & Safety • Hygiene and Sanitation Awareness • Chemical and Hazardous Material Handling • First Aid and Basic Medical Response • Emergency Preparedness and Response • Environmental Protection and Waste Management • Human Rights and Labour Practices • Workplace Safety and Risk Assessment	81%

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 entity has a process in place to avoid conflict of interest involving members of the Board. The entity has a process of taking written declaration annually & whenever required thereafter, in order to avoid conflict of interest involving the members of the board. Further, the entity has laid down the code of conduct for all Board Members and Senior Management Personnels of the Company. The code of conduct is also available on the website: https://static.shaily.com/cMYU8HxLROCTpPOhnvld-1-sepl-code-of-conduct-pdf

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.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0%	0%	Nil
Capex	0.10%	4.99%	The Company has made capital expenditure towards expanding the capacity of existing Sewage Treatment Plant in order to increase volumes of treated wastewater to be reused for industrial processes, cooling towers, and landscaping significantly lowering freshwater procurement cost

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes, The Company has established a formal operating procedure for vendor approval. Materials are procured exclusively from approved vendors at both domestic and international levels. The Quality Assurance team conducts periodic audits of vendors, particularly those supplying critical materials, to ensure consistent quality and compliance. The Company maintains long-standing business relationships with its key vendors and enters into annual freight contracts with reputed transporters for efficient movement of materials. The Company continues to receive sustained and reliable support from its vendor base.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   49% of inputs were outsourced sustainably during the FY 2025-26.

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.**

   (a) Plastics (including packaging)

   - **Reusing and Recycling:** Not applicable for medical devices. Once the shelf life expires, materials are marked with a red label and moved to a designated rejection rack.

- **Disposition:** The Quality Control (QC) department is informed for further action. At the end of the product's life, materials are disposed of through scrapping or grinding.
- **Circular Economy:** Plant-generated plastic waste is collected and disposed of through an authorized agency, ensuring proper disposal methods and end-use mapping.

(b) E-waste

- **Storage and Disposal:** E-waste is periodically transferred to a designated Hazardous Waste storage area at the site. It is then picked up by a certified waste disposal agency approved by the Gujarat Pollution Control Board (GPCB).

(c) Hazardous Waste

- **Storage and Disposal:** Hazardous waste is periodically transferred to a designated Hazardous Waste storage area at the site. It is collected by a certified waste disposal agency approved by the GPCB.

(d) Other Waste

- **Storage and Disposal:** Other waste is periodically transferred to a designated waste storage area at the site. It is either reused or picked up by an appropriate agency for disposal.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

Yes, the Extended Producer Responsibility is applicable to the Company.

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.

The waste collection is in line with the Solid Waste Management Rules, 2016 & has been approved by the respective pollution control boards.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Not applicable as Shaily is a third-party manufacturer and directly not supplying into the market.

NIC Code	Name of Product / Service	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.**

Not Applicable

Name of Product/ Service	Description of the risk concern	Action Taken
Not Applicable		

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).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Plastic Raw Material	49%	43%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:** Shaily is a third-party manufacturer and hence this is not applicable.

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
E-waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Hazardous waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.** Shaily is a third-party manufacturer and hence this is not applicable

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
N.A.	N.A.

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:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	660	660	100%	660	100%	N.A	N.A	0	0.00%	660	100%
Female	45	45	100%	45	100%	45	100%	N.A	N.A	45	100%
Total	**705**	**705**	**100%**	**705**	**100%**	**45**	**100%**	**0**	**0.00%**	**705**	**100%**
Other than permanent employees											
Male	218	218	100%	218	100%	N.A	N.A	0	0.00%	218	100%
Female	18	18	100%	18	100%	18	100%	N.A	N.A	18	100%
Total	**236**	**236**	**100%**	**236**	**100%**	**18**	**100%**	**0**	**0.00%**	**236**	**100%**

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent workers											
Male	91	91	100%	91	100%	N.A	N.A	0	0.00%	91	100%
Female	0	0	0.00%	0	0.00%	0	0.00%	N.A	N.A	0	0.00%
Total	**91**	**91**	**100%**	**91**	**100%**	**N.A**	**N.A**	**0**	**0.00%**	**91**	**100%**
Other than permanent workers											
Male	1302	1302	100%	1302	100%	N.A	N.A	0	0.00%	1302	100%
Female	868	868	100%	868	100%	868	100%	N.A	N.A	868	100%
Total	**2170**	**2170**	**100%**	**2170**	**100%**	**868**	**100%**	**0**	**0.00%**	**2170**	**100%**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well- being measures as a % of total revenue of the company	0.49%	0.47%

2. Details of retirement benefits, for Current FY and Previous FY.

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 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%	Y	100%	100%	Y
Gratuity*	100%	100%	N.A	100%	5%	N.A.
ESI	7%	93%	Y	28%	95%	Y
Others:	0%	0%	N.A	0%	0%	N.A.

*Company is maintaining Gratuity Trust

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, the premises of the Shaily are disabled friendly and are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016

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.

Yes, Shaily has an Anti-Discrimination Policy which includes equal opportunity policy as a part of its BRSR policy which highlights on providing equal opportunities https://static.shaily.com/VsAq7refSxWEh1JN9XCS-sepl-hr-006-anti-descrimination-policy-r-4-p-df

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

The Company ensures full compliance with maternity benefit laws, with all female employees who took leave during the year returning to and being retained in their roles. Paternity leave is currently not a provision under the Company's existing policy framework.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

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.

Particulars	Yes/ No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Covered via formal internal portals and committee structures.
Other than Permanent Workers Permanent Employees Other than Permanent Employees	"Shaily maintains a structured grievance redressal mechanism designed to proactively identify and resolve workplace concerns. By ensuring the prompt and impartial settlement of grievances, we foster a culture of trust and transparency, which serves as a catalyst for continuous improvement in operational excellence and work quality."

Any grievance other than sexual harassment is addressed as per the Grievance Procedure in the following manner:

Level 1 (Approach the foreman/supervisor & redressal within 48 hrs.)

The aggrieved worker in the first instance will approach the foreman and tell him of his/her grievance orally. The foreman must redress his/her grievance and if the worker is not satisfied with this redressal, he/she can approach the supervisor.

Level 2 (Approach HOD & redressal within 3 days)

The supervisor must provide an answer within 48 hours. In the event of the supervisor not giving an answer or the answer not being acceptable to the worker, the worker goes to the next step. At this stage, the worker (either alone or accompanied by his departmental representative) approaches the Head of the Department who must give an answer within three days.

Level 3 (Recommendations of Committee should be communicated to the HOD within seven days)

If the Departmental Head fails to give an answer or if the worker is not satisfied with his answer, the worker may appeal to the Grievance Committee. The recommendations of this Committee should be communicated to the HOD within seven days from the date of the grievance reaching it.

Level 4 (HOD must take a decision and inform the worker within three days)

Unanimous decisions, if any, of the committee shall be implemented by the management. If there is no unanimity, the views of the members of the Committee shall be placed before the HOD's decision. The HOD has to take a decision and inform the worker within three days.

Internal Grievance handling flow should be completed within 45 days.

Appeal against the HOD's decision:

The worker can make an appeal against the HOD's decision. A union official may accompany the worker to the manager for discussion and if no decision is arrived at this stage, both the union and management may refer the grievance to voluntary arbitration of the receipt of the management's decision.

Flow -> Contact HR Department or Worker Representative / Social Performance Team Representative -> Report Grievance/ misconduct verbally or written-> Issue show cause notice -> Record reply of show cause notice, Period: within 3 days ->Investigation->Conclusion/Findings

Conclusion:

Guilty->Either party -> Disciplinary action taken based on severity e.g.: suspension -> show cause notice -> Either party not satisfied, can proceed as per Industrial Dispute Act.

Non-Guilty->Either party -> Complaint closed -> Mutual Settlement

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Shaily does not recognize any association(s)/Unions. However, there is a Workers Committee in place which reports active participation by workers representatives and management.

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	705	0	0%	586	0	0%
Male	660	0	0%	552	0	0%
Female	45	0	0%	34	0	0%
Total Permanent Workers	91	0	0%	93	0	0%
Male	91	0	0%	93	0	0%
Female	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Male	878	878	100%	878	100%	786	786	100%	786	100%
Female	63	63	100%	63	100%	53	53	100%	53	100%
Total	**941**	**941**	**100%**	**941**	**100%**	**839**	**839**	**100%**	**839**	**100%**
Workers										
Male	1393	1393	100%	1393	100%	93	93	100%	93	100%
Female	868	868	100%	868	100%	1710	1710	100%	1710	100%
Total	**2261**	**2261**	**100%**	**2261**	**100%**	**1803**	**1803**	**100%**	**1803**	**100%**

9. Details of performance and career development reviews of employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	878	878	100%	786	786	100%
Female	63	63	100%	53	53	100%
Total	**941**	**941**	**100%**	**839**	**839**	**100%**
Workers						
Male	1393	1393	100%	93	93	100%
Female	868	868	100%	1710	1710	100%
Total	**2261**	**2261**	**100%**	**1803**	**1803**	**100%**

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, the coverage such system?

"Yes. Shaily has implemented a robust Occupational Health and Safety Management System (OHSMS) across 100% of its operations. Our commitment is evidenced by our ISO certification and adherence to globally recognized standards including SA8000, RBA, SMETA (4-pillar), and RESA.

This framework is supported by a comprehensive HSE Policy and a dedicated Incident, Accident & Occupational Health Centre (OHC) Policy. These policies provide clear, actionable safety protocols for all permanent and contractual employees, focusing on the prevention of workplace hazards and the protection of life and property across all plants and offices. Internal governance is driven by our HSE and OHC policies, which mandate rigorous safety protocols, proactive hazard identification, and dedicated medical support (Occupational Health Centres) to maintain a zero-harm work environment."

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Studies related to Hazard Identification & Risk Assessment (HIRA) are carried out from time to time as per the requirement along with the internal/external audits.

Shaily employs a structured Hazard Identification and Risk Assessment (HIRA) process to manage workplace safety.

- **Routine Basis:** We conduct periodic floor walkthroughs, internal safety audits, to identify ongoing operational risks.
- **Non-Routine Basis:** For activities such as maintenance, equipment installation, or emergency repairs, we utilize a Work Permit System and pre-task risk assessments to ensure hazards are mitigated before work begins.

Shaily identifies work-related hazards through a combination of top-down audits and bottom-up reporting.

- **Identification:** Hazards are identified via regular Internal Audits, Safety Committee inspections, and an open hazard-reporting channel for workers.
- **Assessment:** We categorize risks based on severity and probability, maintaining a comprehensive Risk Register.
- **Proactive Measures:** Non-routine tasks are governed by strict safety protocols and specialized training to prevent accidents during high-risk, infrequent operations.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. "The Company prioritizes worker safety through a bottom-up reporting process. Employees and workers are encouraged to report work-related hazards directly to Safety Officers without fear of reprisal. This is supported by an active EHS Committee that serves as a formal platform for addressing safety concerns and integrating worker suggestions into our operational protocols, ensuring continuous hazard mitigation."

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

(Yes/ No)

"Yes. Shaily provides its employees and workers with access to comprehensive non-occupational medical and healthcare services. Beyond workplace safety, we ensure our workforce is covered through Group Health Insurance and Employee State Insurance (ESI) schemes. Additionally, we conduct periodic general health check-ups and provide access to medical consultations for personal wellbeing, ensuring holistic healthcare support for our team members and their families.".

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers		
Total recordable work-related injuries	Employees	0	0
	Workers		
No. of fatalities	Employees	0	0
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers		

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Shaily implements comprehensive measures to ensure a safe, healthy, and secure working environment for its employees and workers. These initiatives are designed to minimize workplace risks, promote well-being, and foster a strong culture of safety across the organization. Key measures include:

1. **Defined Health and Safety Policies**

   The Company has established clearly defined health and safety policies, supported by documented Standard Operating Procedures (SOPs). These policies ensure that employees and workers are well-informed about workplace safety requirements and practices.

2. **Firefighting and Emergency Mock Drills**

   Regular fire drills are conducted every two months and mock drills every six months to assess preparedness for emergency situations. Emergency response and health & safety training programs are imparted periodically to enhance awareness and reinforce safe work practices.

3. **CCTV Surveillance**

   CCTV cameras are installed across the entire campus to ensure effective monitoring, enhance physical security, and support proactive surveillance of the premises.

4. **Provision of Personal Protective Equipment (PPE)**

   Employees and workers are provided with appropriate safety gear, including safety shoes, helmets, goggles, and earplugs, to safeguard them against identified workplace hazards.

5. **Regular Safety Audits**

   The Company conducts periodic internal and external safety audits to assess compliance, identify potential risks, and continually improve workplace safety standards.

6. **Fire Protection Systems**

   Fire hydrant systems, adequate fire extinguishers, and fire alarm systems have been installed at identified high-risk areas to enable prompt fire detection and response.

7. **Healthy Workplace Facilities**

   Shaily provides access to hygienic canteen facilities, safe drinking water, and well-maintained sanitation infrastructure, contributing to healthy and comfortable working conditions.

8. **Wellness Initiatives**

   The Company promotes employee well-being through wellness initiatives, including fitness programs, stress management resources, and education on healthy lifestyle practices.

9. **Health Awareness Campaigns**

   Annual health campaigns such as Eye checkup, Liver screening, Blood tests, and observance of health awareness days are conducted to support preventive healthcare.

10. **Employee Engagement in Safety Culture**

Employees and workers are actively involved through safety committees and participation in initiatives such as National Safety Week, Fire Service Week, International Day of Yoga, and World Environment Day, encouraging shared responsibility for safety and continuous improvement.

11. **Safety Signage and Markings**

Clear safety instructions, hazard warnings, and emergency evacuation routes are prominently displayed across the premises in both English and the local language to ensure universal comprehension.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (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	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

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.

While there were no significant safety-related incidents or fatalities during the reporting period, the Company remains proactive in identifying potential risks. Based on our routine HIRA (Hazard Identification and Risk Assessment) and internal safety audits.

Workplace activities are closely monitored; regular audits of the workplace are conducted to identify and mitigate risk. Regular training is imparted to all the employees and workers.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).** Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   A. The company takes all the necessary documents like GST registration certificate, PAN Card, and other relevant documents for registration from vendors.

   B. The company verifies Income Tax/GST filing status of the Vendors as per the IT/GST website.

   C. For registration of contractors, the company verifies their PF challans and other statutory returns.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 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 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	0	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)**

   "Shaily provides transition support by offering opportunities for continued professional engagement beyond standard retirement. At the management's discretion, retiring employees with critical expertise are considered for advisory and consultancy roles, enabling the company to retain institutional knowledge while facilitating a phased career transition for the individual. This practice ensures that experienced talent remains employable and continues to contribute to the organization's growth even after their formal tenure ends."

5. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

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.**

   Workplace activities are closely monitored; regular audits of the workplace are conducted to identify and mitigate risk. Regular training is imparted to the value chain partners

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.**

   Customers, Investors and Shareholders, Employees, Suppliers, Government Agencies, Communities, and many others who have a "stake" or claim in some aspect in a company's products, operations, markets, industry, and outcomes are known as "stakeholders".

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as a 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
Employees	No	Emails, notices, hotline numbers, Anonymous complaint box, Survey open door policy/ suggestion/ feedback box and other communication mechanism	Daily	Awareness of Company Policies and procedures
Shareholders/ Investors	No	Emails, Newspaper Advertisement, Company & Stock exchange website, General Meetings	Quarterly, Yearly and Need based	Notices of AGM, Disclosing Financial Results, Sending Annual Reports
Customers	No	E-mail and other communication channels	Need based	Product Awareness, customer acquisition
Research Analyst	No	Email and other Communication channels	Need based	Interaction on the financial results & issuance of press releases
Suppliers	No	Emails/ Physical meetings	Need based	Purchase of packaging material machinery, raw materials etc.

Stakeholder Group	Whether identified as a 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
Government/ Regulatory agencies	No	Email/ con-calls/ meetings	Need based	On legal amendments, regulations, approvals
Community	No	Directly	Need based	Implementing CSR activities to support social needs

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 Management engages in dialogue with stakeholders through various platforms. This platform includes meetings/discussions between the Senior Management and the stakeholders. By establishing the channels of communication Shaily tries to understand the expectations of stake holders in respect of environment, social and governance.

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.**

   Yes, stakeholder consultation plays an important role in identifying and managing environmental and social topics. The consultation helps Shaily to get feedback from the stakeholders, which in return helps the Company to deeply understand the environmental and social concerns. These inputs are further utilized to formulate robust policies that align with the stakeholders' expectations and industry standards. By involving the stakeholders in the policy making process, the Company confirms that its policies effectively address the key environmental and social issues relevant to its operations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company directly or through other Non-Government Organisations actively engages in CSR activities. This includes uplifting the under-privileged sections of society. The Company supports poor and needy students financially by sponsoring their school fees, uniforms etc.

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 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. employees/ workers covered (B)	% (B/A)	Total (C)	No. employees/ workers covered (B)	% (D / C)
Employees						
Permanent	705	705	100%	586	586	100%
Other than permanent	236	236	100%	253	253	100%
Total Employees	**941**	**941**	**100%**	**839**	**839**	**100%**
Workers						
Permanent	91	91	100%	93	93	100%
Other than permanent	2170	2170	100%	1710	1710	100%
Total Workers	**2261**	**2261**	**100%**	**1803**	**1803**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/ A)		No. (B)	% (B/A)	No. (F)	% (F/D)
Employees										
Permanent	705	0	0.00%	705	100%	586	0	0%	586	100%
Male	660	0	0.00%	660	100%	552	0	0%	552	100%
Female	45	0	0.00%	45	100%	34	0	0%	34	100%
Other than permanent	236	0	0.00%	236	100%	253	0	0%	253	100%
Male	218	0	0.00%	218	100%	234	0	0%	234	100%
Female	18	0	0.00%	18	100%	19	0	0%	19	100%
Workers										
Permanent	91	0	0.00%	91	100%	93	0	0%	93	100%
Male	91	0	0.00%	91	100%	93	0	0%	93	100%
Female	0	0	0.00%	0	0%	0	0	0%	0	0%
Other than permanent	2170	1797	82.81%	373	17.19%	1710	1542	90.18%	168	9.82%
Male	1302	1051	80.72%	251	19.28%	1192	1043	87.5%	149	12.50%
Female	868	746	85.94%	122	14.06%	518	499	96.33%	19	03.67%

3. **Details of remuneration/salary/wages as on March 31, 2026**

a. **Median remuneration / wages:**

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Gross Salary)	Number	Median remuneration/ salary/ wages of respective category (Gross Salary)
Board of Directors (BoD)	3*	77753532	1	11246100
Key Managerial Personnel	2	5870340	0	0
Employees other than BoD and KMP	660	440541204	45	25121352
Workers	91	37591407	0	0

*As per resolution passed at the 45th AGM dated 27th September 2025, Mr. Amit Mahendra Sanghvi is not drawing salary from Shaily Engineering Plastics Limited and drawing salary from its wholly owned subsidiary Shaily Innovations FZCO, Dubai, U.A.E. w.e.f 1st April 2025.

Hence, his remuneration is not considered in the Median Remuneration.

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	29.07%	28.72%

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)**

"Yes. Shaily has established a multi-disciplinary governance structure to identify, prevent, and mitigate human rights impacts. Rather than a single focal point, we utilize specialized committees to ensure comprehensive oversight across all aspects of our operations:

- Workers / Social Performance Team (SPT) Committee: Serves as the primary body for monitoring labour rights, fair wages, and ethical treatment.
- Internal Complaints Committee (ICC/POSH): Dedicated to maintaining a safe, respectful workplace and addressing issues related to gender equality and harassment.

- Grievance Committee: Provides a formal platform for the impartial and timely redressal of employee concerns, ensuring access to justice.
- EHS Committee: Focuses on the right to a safe and healthy working environment.
- Canteen Committee: Oversees the right to adequate nutrition and hygienic facilities for the entire workforce.

These committees work in tandem to ensure that our business activities align with national regulations and international human rights standards."

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Our organization has established comprehensive internal mechanisms to address grievances related to human rights issues. These mechanisms ensure that any grievances related to human rights are handled with the utmost care and attention. These mechanisms include:

- **Documented Procedures:** We have well-defined routines and procedures for reporting and addressing grievances related to human rights, social, and working conditions.
- **Grievance Reporting:** Employees can report issues such as discrimination, harassment, and abuse through designated channels.
- **Investigation and Resolution:** Each complaint is thoroughly investigated, and appropriate actions are taken to resolve the issues promptly and fairly.
- **Support Systems:** We provide support to affected individuals throughout the grievance process to ensure their concerns are addressed effectively.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26 Current Financial Year			FY 2024-25 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	1	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

7. Complaints filed the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a % of female employees / workers	0.08%	0
Complaints on POSH upheld	1	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Shaily is committed to developing a culture where it is safe for all employees/ workers to raise concerns about any event or misconduct. The Company has a robust Vigil Mechanism Policy/Whistle Blower Policy to safeguard confidentiality of the complainant thereby preventing adverse consequences to the complainant in discrimination and harassment cases.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)** Yes

10. **Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100 %
Forced/involuntary labour	100 %
Sexual harassment	100 %
Discrimination at workplace	100 %
Wages	100 %
Others – please specify	100 %

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

No complaints related to Child Labour, Forced / Involuntary labour, Discrimination, Wages etc were reported during the year. The Company has established and implemented comprehensive policies covering Child Labour, Forced and Bonded Labour, Anti Discrimination, Employment Guidelines, and Workers' Employment. These policies are designed to ensure ethical employment practices, equal opportunity, and compliance with applicable labour laws, thereby reinforcing the Company's commitment to human rights and responsible workplace conduct.

Essential Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.** No grievances / complaints recorded.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

Shaily is committed to upholding and respecting human rights across its operations. The Company's Human Rights Policy serves as the guiding framework for its actions and decision making and is aligned with the United Nations Guiding Principles on Business and Human Rights. Shaily proactively identifies, addresses, and resolves issues related to business and human rights through structured internal processes and regular monitoring.

Senior management and relevant personnel are periodically informed of regulatory developments, reforms, and changes to ensure continued compliance and oversight. Additionally, the Company actively promotes awareness and adoption of best practices in human rights among its employees and, where applicable, across its value chain partners, reinforcing its commitment to responsible and ethical business conduct.

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

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100 %
Discrimination at workplace	100 %
Child Labour	100 %
Forced Labour/Involuntary Labour	100 %
Wages	100 %
Others – please specify	100 %

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

There were no such cases reported during the FY 2025-26.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption and energy intensity in Mega Joules (MJ) in the following format:**

Parameter	FY 2025-26 Current Financial Year	FY 2024-25* Previous Financial Year
From renewable sources		
Total electricity consumption (A)	129555590	120206995
Total fuel consumption (B)		
Energy consumption sources (C)		0
Total energy consumed from renewable sources (A+B+C)	129555590	120206995
From non-renewable sources		
Total electricity consumption (D)	0	0
Total fuel consumption (E)	2998690	3079935
Energy consumption through other resources (F)		0
Total energy consumed from non- renewable sources (D+E+F)	2998690	3079935
Total energy consumed (A+B+C+D+E+F)	132554280	123286930
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.014	0.02
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.29	0.34
Energy intensity in terms of physical Output (MJ/MT)	5553.93	5252.02
Energy intensity (optional) – the relevant metric may be selected by the entity	Mega Joules (MJ)	Mega Joules (MJ)

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. Yes, carried out by Bureau Veritas.

PPP rate source: World Economic Outlook (April 2026) - Implied PPP conversion rate

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.** Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	14831	5720
(ii) Groundwater	66836	66293
(iii) Third party water	1157	4296
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	82824	76309
Total volume of water consumption (in kilolitres)	**82824**	**76309**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000009	0.000010
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000183	0.000211
Water intensity in terms of physical Output (KL/MT)	3.47	3.25
Water intensity (optional) – the relevant metric may be selected by the entity	Kilo Liters (KL)	Kilo Liters (KL)

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. Yes, carried out by Bureau Veritas.

PPP rate source: World Economic Outlook (April 2026) - Implied PPP conversion rate

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	11622	5720
- No treatment		
- With treatment – please specify level of treatment	11622	5720
(ii) To Groundwater		66293
- No treatment		
- With treatment – please specify level of treatment		66293
(iii) To Seawater	0	0
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties	1856	0
- No treatment	1856	
- With treatment – please specify level of treatment		
(v) Others	0	0
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**13478**	**72013**

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. Yes, carried out by Bureau Veritas.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company has implemented a mechanism for Zero Liquid Discharge through setting up of Sewage Treatment Plant/Soak pit in all its plants, except for one plant located in Halol, Gujarat. Also, the Company is planning to enhance its rainwater harvesting capacity for positive charge of ground water.

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 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	ppmv	0	0
SOx	%	0	0
Particulate matter (PM)	Mg/Nm3	0	0
Persistent organic pollutants (POP)	Ug/Nm3	0	0
Volatile organic compounds (VOC)	Ug/Nm3	0	0
Hazardous air pollutants (HAP)	Ug/Nm3	0	0
Others – please specify	ppmv	0	0

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2232.3	2292.8
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	287.90	267.12

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	Metric tonnes of CO_2 equivalent	0.00000027	0.00000035
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO_2 equivalent	0.0000056	0.0000071
Total Scope 1 and Scope 2 emission intensity in terms of physical output (MT/MT)	Metric tonnes of CO_2 equivalent	0.012	0.109
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric Tonnes (MT)	Metric Tonnes (MT)	Metric Tonnes (MT)

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. Yes, carried out by Bureau Veritas.

PPP rate source: World Economic Outlook (April 2026) - Implied PPP conversion rate

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Scope 1 – Shaily is committed towards reducing the greenhouse gases emissions. The Company has replaced diesel forklifts with electric forklifts on its premises.

Scope 2 – Shaily is purchasing green energy from third-party renewable energy sources. The Company has started working towards energy efficiency measures as a strategic program for the implementation of the most energy efficient technologies as per the industry standards. Further the company has started the generation of onsite Solar Power Plant having a capacity of 1.3MW at Halol as per the industry standards.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2.890	1.70
E-waste (B)	0.100	0.46
Bio-medical waste (C)	0.002	0.004
Construction and demolition waste (D)	0	0
Battery waste (E)	0	1.70
Radioactive waste (F)	0	0.46
Other Hazardous waste. Please specify, if any. (G)		
Cotton waste containing oil	3.060	1.95
Used Oil	0.785	0.705
ETP Sludge	0.480	0.66
Paint Sludge	0	0.46
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Packing/Paper Waste	60.98	71.74
Wooden Scrap	90.67	93.59
Total (A + B + C + D + E + F + G + H)	158.97	173.43
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000002	0.00000002
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000004	0.0000005

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Waste intensity in terms of physical output	0.007	0.007
Waste intensity (optional) – the relevant metric may be selected by the entity	Metric Tonnes (MT)	Metric Tonnes (MT)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	0	0
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	0	0
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

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. Yes, carried out by Bureau Veritas.

PPP rate source: World Economic Outlook (April 2026) - Implied PPP conversion rate

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.

At Shaily, we are committed towards responsible and sustainable waste management within our manufacturing operations. The Company has entered contract with various environmental agencies to pick the plant-generated plastic waste and disposed the same, ensuring proper disposal methods and end-use mapping. These agencies are certified by Gujarat Pollution Control Board (GPCB).

In addition to plastic waste, the Company prioritizes the proper disposal of other types of waste such as e-waste, battery waste, spent oil, and scraps. These materials often contain hazardous components that require specialized handling and treatment to prevent harm to the environment and human health. By engaging authorized vendors, we ensure that these waste materials are managed in compliance with relevant regulations and best practices.

The water discharged from production is recycled through Effluent Treatment Plant (ETP) and thereafter ETP sludge is sent to GPCB authorised agency through manifest. Sewage water is treated by available Sewage Treatment Plant and after the treatment the same water is used for gardening. RO rejected water is used for flushing purposes.

Through these waste management practices, we strive to minimize our environmental impact, promote sustainability, and contribute to a circular economy by repurposing waste materials for beneficial reuse.

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:

No, the Company does not have any office or plant location in the buffer zone or ecologically sensitive area.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	Nil	Nil	Nil

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable as the Company has not undertaken any projects that require an Environmental Impact Assessment (EIA)

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
Not Applicable					

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 fully compliant with all the environmental laws applicable to it.

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

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not applicable as all the facility/plants are located in water abundant area.

For each facility / plant located in areas of water stress, provide the following information:

Not Applicable as no facility / plant located in water stress areas.

i. Name of the area

ii. Nature of operations

iii. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)	0	0
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	0	0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0	0
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
Water discharge by destination and level of treatment (in kilolitres)	0	0
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

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. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Applicable	
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent		

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**

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** The facilities of the Company are not located in ecologically sensitive areas.

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:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Engagement into Power Purchase Agreement	Signed long term power purchase agreement (PPA) to procure energy from wind power resources	Promotion of green energy Reduction in GHG emissions
2.	Maintaining Zero Liquid Discharge	After recycling water from Sewage Treatment Plant, the treated water is utilized for green development area and flushing purpose	Improving water efficiency
3.	Rainwater Harvesting	Collection of rainwater to recharge the ground water by rain harvesting pit	Improving ground water efficiency
4.	Installation of energy efficient equipment	Installation of new servo-based injection moulding machines	Reduction in Energy Consumption Reduction in GHG emissions
5.	Installation of solar roof top panel	Installation of solar panel 1.30 MW at our Halol facility	Reduction in cost of production

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, the Company has a Business Continuity Plan (BCP) Policy in place, along with comprehensive onsite and offsite emergency preparedness plans as part of its overall risk mitigation strategy. An Emergency Response Team (ERT) has been constituted to respond effectively to emergency situations and ensure timely action during disasters. The Company has fully insured its properties against natural calamities such as fire, flood, and earthquake to safeguard assets and operations.

   Adequate fire safety infrastructure, including fire hydrant systems and fire extinguishers, has been installed at the plant location and other fire sensitive areas. Regular fire evacuation drills and mock drills are conducted to enhance awareness and preparedness among employees and workers. Additionally, periodic Health, Safety, and Environment (HSE) training programs are imparted to reinforce emergency response capabilities and promote a strong culture of safety across the organization.

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.**

   There is no adverse impact on the environment arising from the value chain of the entity.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   All registered sub-supplier's assessments, including environmental impacts are recorded by the Company on regular basis.

8. **How many Green Credits have been generated or procured :**

   a. By the listed entity- Nil

   b. By the top tem (in terms of value of purchases and sales, respectively) value chain partners - Not assessed yet.

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.** Seven

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Name of the trade and industry chambers/ associations
1	Plast India Foundation	National
2	Organisation of Plastic Processors of India (OPPI)	National
3	Confederation of Indian Industries (CII)	National
4	Plastics Export Promotion Council (PLEXCONCIL)	National
5	Federation of Gujarat Industries (FGI)	State
6	Gujarat Employers Organisation (GEO)	State
7	Baroda Productivity Council (BPC)	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.**

   Not applicable as there were no adverse orders received from any authority.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated.	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others – please specify)	Web Link, if available

Shaily acknowledges its responsibilities within the democratic and constitutional framework and is fully compliant with the laws and regulations applicable to it. The company actively engages with different government bodies, regulators and other legislative entities. The Company has not advocated any public policy in FY 2025-26

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.**

   During the FY 2025-26, none of the Company's projects were under ambit of mandated SIA exercises.

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

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

During the FY 2025-26, there were no projects for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken

S. 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 H)

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company regularly interacts with local community at different levels to understand their concerns and act upon them, there is a dedicated channel which is managed by site level HR to redress the grievance of the local community.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directly sourced from MSMEs/ small producers	38%	60%
Directly from within India	82%	70%

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**

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Rural	65%	60%
Semi-urban	-	-
Urban	-	-
Metropolitan	35%	40%

(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):** Not applicable as there was no social impact assessment which was carried out.

Details of negative social impact identified	Corrective action taken
Nil	Nil

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Shaily has always been instrumental in commissioning significant CSR programmes specially in the areas of its operation. However, none of the CSR programmes implemented by Shaily falls in aspirational districts and hence this disclosure is not applicable.

S. No.	State	Aspirational District	Amount spent (In H)
0	0	0	0

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?** (Yes/No) Not applicable as Shaily is a third-party manufacturer and most of the suppliers are nominated by the Customers.

(b) **From which marginalized /vulnerable groups do you procure?** Considering the nature and availability of raw materials, company procures raw materials from the best sources available.

(c) **What percentage of total procurement (by value) does it constitute?** Not ascertained

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:**

The Company has not engaged with any entity during the reporting period for deriving or sharing any benefits from the intellectual properties owned or acquired by the Company.

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
0	0	0	0	0
0	0	0	0	0

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.** Not Applicable

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

6. **Details of beneficiaries of CSR Projects:**

The CSR report is given in the Annexure C of Boards Report.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups

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.**

Form "Investigation, Corrective and Preventive Action" is documented for Complaint handling, action implementation and effectiveness verification. SOP ISO/IATF QC-04 Customer Complaint Handling and Corrective and Preventive Action is available in Shaily QMS.

Customer complaint handling and trend analysis

Main Steps of complaint management:

1. Receiving/Notified about Complaint (through Customer, Product user, Regulatory/government body, company employee, website and relevant online portals.
2. Logging complaint in the Customer Complaint Log by FH-QC or Deputy with details received from complainant along with samples (if provided).
3. FH-QA / MR assigns a specific rolling serial number for traceability and to ensure control for closure activities and monitor effectiveness.
4. Customer is acknowledged about the receipt of the complaint within one business day by FH-QC or Deputy.
5. Quality team carries out the inspection activities. Investigation to be carried out in Investigation, Corrective Action and Preventive Action Form.
6. Based on the results of investigation, Correction and Containment actions, Corrective action and Preventive actions are defined and recorded in Fowrm ("Corrective and Preventive action").
7. The corrective and preventive actions must be defined within 15 to 30 business days depending upon the process and the corrective and preventive actions must be implemented within 60 working days, customer timeline or as approved by customer.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product Safe and responsible usage Recycling and/or safe disposal	Shaily does not have a B2C model and hence this is not applicable

3. **Number of consumer complaints in respect of the following:**

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	N.A.	0	0	N.A.
Advertising	0	0	N.A.	0	0	N.A.
Cyber-security	0	0	N.A.	0	0	N.A.
Delivery of essential services	0	0	N.A.	0	0	N.A.
Restrictive Trade Practices	0	0	N.A.	0	0	N.A.
Unfair Trade Practices	0	0	N.A.	0	0	N.A.
Other	0	0	N.A.	0	0	N.A.

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink of the policy.**

   Yes, the entity has an IT Security Policy which covers cyber security and risks related to data privacy.

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.**

   No such event(s) was reported during the FY 2025-26, hence not applicable.

7. **Provide the following information relating to data breaches:**

   a) **Number of instances of data breaches** - No such instances have been reported

   b) **Percentage of data breaches involving personally identifiable information of customers -** No such instances have been reported

   c) **Impact, if any, of the data breaches -** No such instances have been reported

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).** www.shaily.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.** Shaily is a third-party manufacturer (B2B model) and meets all the customer requirements on a product level. Hence this is being handled from customer end.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.** The products and services rendered by Shaily do not fall in the category of essential services and hence this is 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, as Shaily is third party manufacturer, and the product information is being ascertained by the Customer.

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, the customer satisfaction survey is applicable to the entity as a whole and is being performed on a yearly basis as per SOP ISO/IATF Mkt-02 Customer Satisfaction.

Report of Corporate Governance

Company's philosophy

Corporate governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and at Shaily, we are committed to meeting the aspirations of all our stakeholders as we believe in adopting best corporate practices for ethical conduct of business. It is well recognized that an effective Board of Directors is a pre-requisite for strong and effective corporate governance. Our Board and Committees thereof are formed as per the prevailing regulatory requirements, which oversees how the Management serves and protects the long-term interests of all our stakeholders.

Corporate Governance is more than a set of processes and compliances at Shaily. It underlines the role that we see for ourselves for today, tomorrow and beyond. The Company has laid out guiding principles and communicated through its code of conduct, which is subject to regular audits to ensure controls and compliances are maintained at a high standard. Shaily's philosophy is thus concerned with the ethics, values and morals of the Company and its directors, who act in the best interests of the Company and remain accountable to the stakeholders at large.

Board of Directors

The Board of Directors closely monitors the performance of the Company and Management, approves the plans, reviews the strategy and strives to achieve organizational growth. The Board ensures statutory and ethical conduct with high quality financial reporting. It holds itself accountable to the shareholders as well as other stakeholders for the long-term well-being of the Company.

a. Composition of Board

The Board of Directors consists of four (4) Executive Directors (from the Promoter Group) and four (4) Independent Directors. Out of the four (4) Independent Directors, one is a Woman Independent Director. As on 31st March 2026 and on the date of this report, the Board meets the requirement of having at least one-Woman Independent Director and not less than 50% of the Board strength comprises of Non-executive and Independent Directors. The Directors are professionals, having expertise in their respective functional areas and bring a wide range of skills and expertise to the Board.

The Chairman of the Board is an Executive Director. The management of the Company is entrusted to the Managing Director, Mr. Amit Mahendra Sanghvi, who is assisted by a Core Management Team and Senior Executives having rich experience and expertise in their respective fields.

Pursuant to the provisions of Section 165(1) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter shall be referred as SEBI Listing Regulations, 2015) none of the Directors hold directorships in more than 20 companies (public or private), 10 public companies, membership of Audit & Stakeholder Relationship Committee(s) in excess of 10 and Chairmanship of Audit & Stakeholders Relationship Committee(s) in excess of 5. None of the Directors serve as Director / Independent Director in more than 7 Listed Companies. None of the Directors who serve as a Whole Time Director / Managing Director in any listed entity serve as an Independent Director in more than 3 listed Companies.

b. Number of Board meetings held and the dates of the Board Meeting

Five (5) Board Meetings were held during the year ended 31st March 2026 as under:

Sr. No.	Date	Time (IST)
1	13th May, 2025	01:30 p.m.
2	19th July, 2025	10:00 a.m.
3	11th August, 2025	12:00 p.m.
4	08th November, 2025	01:30 p.m.
5	12th February, 2026	02:30 p.m.

The requisite quorum was present in all the meetings. The time gap between the two meetings did not exceed one hundred and twenty days, as per the prevailing regulatory requirements.

Details of composition and category of Directors, attendance at the Board Meetings, Annual General Meeting, Membership–Chairmanship in committees and shareholding of each director:

Name of Director	Category	No. of Directorship(s) [Note a]	No. of Membership in committees (Chairmanship)	Attendance in Board Meetings held in 2025-26	Attendance at last AGM	No. of Equity Shares held in the Company on 31st March 2026
		As on 31st March 2026				
Mr. Mahendra Sanghvi	Executive Chairman - Promoter	5	0	4/5	Yes	33,31,675
Mr. Laxman Sanghvi	Executive Director - Promoter	3	0	5/5	Yes	23,32,120
Mrs. Tilottama Sanghvi	Whole-Time Director - Promoter	2	0	5/5	Yes	64,38,575
Mr. Amit Mahendra Sanghvi	Managing Director - Promoter Group	2	1	5/5	Yes	12,03,290
Mr. Ranjit Singh	NED (Independent)	13	4 (including 2 as Chairman)	5/5	Yes	Nil
Dr. Shailesh Ayyangar	NED (Independent)	6	2 (Including 0 as Chairman)	5/5	Yes	Nil
Mr. Samaresh Parida	NED (Independent)	6	4 (Including 3 as Chairman)	5/5	Yes	Nil
Ms. Sangeeta Singh	NED (Independent)	7	5 (Including 1 as Chairman)	5/5	Yes	Nil

Notes:

a) Includes directorship in the company and excludes directorships in foreign companies.

b) Membership/Chairmanship in Audit Committee and Stakeholders Relationship Committee only are considered pursuant to Regulation 26 of the SEBI Listing Regulations, 2015.

c) NED refers to Non-Executive Director.

d) The Company has not issued any convertible instruments.

e) The number of Directorship(s), Committee Membership(s)/ Chairmanship(s) of all the Directors is/are within the respective limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations, 2015 and including the Company

Details of directorship in other listed entities of each Director as on 31st March 2026

Name of Director	Category	Name of other listed Companies where Directorship held	Category of Directorship held
Mr. Mahendra Sanghvi	Executive Chairman - Promoter	Integra Engineering India Limited (up to 10th June 2025)	Independent Director
Mr. Laxman Sanghvi	Executive Director - Promoter	No Directorship in other listed entities	Not Applicable
Mrs. Tilottama Sanghvi	Whole-Time Director - Promoter	No Directorship in other listed entities	Not Applicable
Mr. Amit Mahendra Sanghvi	Managing Director - Promoter Group	No Directorship in other listed entities	Not Applicable
Mr. Ranjit Singh	NED (Independent)	Polyplex Corporation Ltd.	Independent Director
		VA Tech WABAG Ltd.	Independent Director
Dr. Shailesh Ayyangar	NED (Independendwent)	Emcure Pharmaceuticals Limited	Independent Director
Mr. Samaresh Parida	NED (Independent)	IDBI Bank Limited	Independent Director
		Sudeep Pharma Limited	Independent Director
Ms. Sangeeta Singh	NED (Independent)	Alkem Laboratories Limited (up to 13th July 2025)	Independent Director
		Laxmi Organic Industries Limited	Independent Director
		Transworld Shipping Lines Limited (formerly known as Shreyas Shipping Lines)	Independent Director
		Galaxy Surfactants Limited	Independent Director

Key Board qualifications, expertise and attributes

SEPL's Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Company's Board comprises of eight directors which have right blend of deep understanding of various areas of SEPL business and manufacturing process. The board has the right combination of Directors on board with impeccable business acumen, strategy and project management experience.

The skill sets identified by the Board in the context of the Company's business and sector in which it operates along with its availability assessment collectively for the Board and individually for each Director are as under:

Key Board Qualification	Board Members							
	Executive Chairman	Executive Director	Whole Time Director	Managing Director	Independent Directors			
	Mahendra Sanghvi	Laxman Sanghvi	Tilottama Sanghvi	Amit Mahendra Sanghvi	Ranjit Singh	Shailesh Ayyangar	Samaresh Parida	Sangeeta Singh
Technical prowess in Plastics Engineering with specialized expertise in Plastics Moulding technology	✓	✓	✓	✓	✓	-	-	-
Deep understanding of various facets of raw materials required for best quality of plastics	✓	✓	✓	✓	✓	-	-	-
Financial Acumen	✓	✓	✓	✓	✓	✓	✓	✓
Healthcare Industry knowhow	✓	-	-	✓	-	✓	✓	✓
Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓
Visionary Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Industry Experience, Research & Development and Innovation	✓	✓	✓	✓	✓	✓	✓	✓
Global Business/ International Exposure	✓	✓	✓	✓	✓	✓	✓	✓
Financial, Regulatory, Legal & Risk Management	✓	✓	✓	✓	✓	✓	✓	✓
Policy Development	✓	✓	✓	✓	✓	✓	✓	✓
Marketing	✓	-	-	✓	✓	✓	✓	-
Integrity and ethical standards	✓	✓	✓	✓	✓	✓	✓	✓
Interpersonal Relationships	✓	✓	✓	✓	✓	✓	✓	✓
Creative and Logical Approach	✓	✓	✓	✓	✓	✓	✓	✓
Strong Client Relationship	✓	✓	✓	✓	NA	NA	NA	NA
Understanding of multi-faceted business operations	✓	✓	✓	✓	✓	✓	✓	✓

c. Confirmation with regards to Independent Directors

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations, 2015 and are independent of the management.

d. Resignation of Independent Directors, if any.

There has been no event of resignation of the Independent Director during the financial year 2025-26.

e. Relationship between director inter-se

Mr. Mahendra Sanghvi, Executive Chairman is brother of Mr. Laxman Sanghvi, Executive Director; spouse of Mrs. Tilottama Sanghvi, Whole Time Director and father of Mr. Amit Mahendra Sanghvi, Managing Director.

Mrs. Tilottama Sanghvi is a mother of Mr. Amit Mahendra Sanghvi, Managing Director.

None of the other Directors are related to each other.

f. Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession, who can effectively contribute to the Company's business and policy decisions are considered by the Nomination & Remuneration Committee, for appointment as an Independent Director on the Board.

The Nomination & Remuneration Committee inter-alia considers qualification, positive attributes, area of expertise and number of Directorship(s) and membership(s) held in various committees by such person(s). The Board considers the Committee's recommendation and takes an appropriate decision.

g. Familiarization programme for Independent Directors

Guided by the principles of Corporate Governance of the prevailing regulatory regime, the Company conducts a familiarization programme for Independent Directors from time to time in accordance with business & regulatory requirements. The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize themselves with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee meetings on the business and performance updates of the Company including Finance, sales, ongoing projects, investor activities, regulatory compliances. Detailed presentations on company's business development activities are being made at the Board meetings to keep the Directors abreast of the forthcoming business activities of the Company. Facility visits are arranged for the Directors to have a close view of the operations.

Quarterly updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are circulated to the Directors. Visits to plant locations are organized for the Independent Directors to enable them to understand and get acquainted with the operations of the Company. During the current year, there have been four physical plant visits. The Board is regularly facilitated with videos and presentations of the facilities to keep them updated of the various construction activities around all facilities.

The details of such familiarization programmes for the Independent Directors are available on the website of the Company at https://static.shaily.com/sjNICcG2QGO86rFlk7mC-familiarisation-programme-for-independent-directors-2025-26-new-pdf

h. Board Meeting Procedures:

The Annual Calendar of Board Meetings of the year is usually considered in the Board Meeting of the last quarter of the previous financial year. The notice convening the Board Meeting is sent to each of the Directors along with relevant papers well in advance of the meeting date. The items on the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. All significant developments and material events are brought to the notice of the Board, either as a part of the agenda papers in advance of the meeting or by way of presentations or circulation of relevant documents during the meeting. The Managing Director, the Chief Financial Officer and the Chief Strategy Officer briefs the Board on the financial and business performance of the Company during the previous quarter and trend analysis as compared to budgets, operational performance and market scenario.

The Company receives reports from various departmental heads, certifying compliance of applicable statutory laws, rules and regulations every quarter. The Managing Director, on basis of the reports certifies the Board, the compliance with various applicable statutory laws, rules and regulations.

i. Code of Conduct:

The Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel for avoidance of conflicts of interest. The declarations with regard to its compliance have been received for the financial year 2025-26 from all the Board Members and Senior Management Personnel. There were no material financial and commercial transactions in which Board Members or Senior Management Personnel had personal interest, which could lead to potential conflict of interest with the Company during the year. The Code of Conduct can be viewed at https://shaily.com/policies:codeOfConduct

j. Committee meetings

The Company's guidelines relating to Board Meetings are applicable to Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of Committee meetings are circulated to the Committee members and placed before the Board meetings for noting.

Audit Committee

The Company has an Audit Committee at the Board level, with powers and roles in accordance with the prevailing regulatory requirements. The Committee acts as a link amongst the Management, Auditors and the Board of Directors.

a. Composition of Audit Committee

The composition of the Audit Committee of the Company is in line with the provisions of Regulation 18 of SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act 2013.

Composition of the Audit Committee as on 31st March 2026 is as follows:

Name of Director	Acting in committee as	Category
Mr. Samaresh Parida	Chairman	Independent Director
Mr. Ranjit Singh	Member	Independent Director
Dr. Shailesh Ayyangar	Member	Independent Director
Ms. Sangeeta Singh	Member	Independent Director

b. Terms of Reference

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for the Audit Committee under the SEBI Listing Regulations, 2015 and the Companies Act, 2013.

The Committee provides the Board with additional assurance as to the adequacy of Company's internal control systems and financial disclosures. The committee has reviewed the internal audit reports, quarterly, half-yearly and annual standalone and consolidated financial results before their submission and adoption by the board, internal control systems, Related Party Transactions and all other matters covered under SEBI Listing Regulations, 2015 and provisions of the Companies Act, 2013 read with rules made thereunder and when applicable. In conducting such reviews, the committee found no material discrepancy.

c. Meetings of Audit Committee and Attendance of Members

There were four (4) Audit Committee meetings held during the financial year 2025-26 on 13th May 2025, 11th August 2025, 08th November 2025 and 12th February 2026, as under:

Name	Acting in committee as	Attendance in Board Meetings held in 2025-26
Mr. Samaresh Parida	Chairman	4/4
Mr. Ranjit Singh	Member	4/4
Dr. Shailesh Ayyangar	Member	4/4
Ms. Sangeeta Singh	Member	4/4

Mr. Samaresh Parida, Chairman of the Audit Committee attended the 45th Annual General Meeting held on 27th September 2025.

The Statutory Auditors, Internal Auditors, Secretarial Auditors, Chief Financial Officer, Chief Strategy Officer, Executive Directors and other senior professionals were invited to the meetings of the Audit Committee.

The Company Secretary of the Company acts as the Secretary to the Committee.

Nomination & Remuneration Committee (NRC)

a. Composition of Nomination & Remuneration Committee

The composition of the Nomination & Remuneration Committee of the Company is in line with the provisions of Regulation 19 of the SEBI Listing Regulations, 2015 and section 178 of the Companies Act, 2013.

Composition of Nomination & Remuneration Committee 31st March 2026 is as under:

Name of Director	Acting in committee as	Category
Dr. Shailesh Ayyangar	Chairman	Independent Director
Mr. Samaresh Parida	Member	Independent Director
Mr. Mahendra Sanghvi	Member	Executive Chairman
Ms. Sangeeta Singh	Member	Independent Director

b. Terms of Reference:

The terms of reference of the NRC are to guide the Board in relation to the appointment and removal of Directors, KMP & Senior Management Personnel, identifying persons and to recommend/review remuneration of all the Directors, Key Managerial Personnel (KMP) and Senior Management Personnel. The terms of reference further cover the matters specified for Nomination & Remuneration Committee under the SEBI Listing Regulations, 2015 and the Act.

c. Meetings of Nomination & Remuneration Committee and Attendance of Members:

The Nomination & Remuneration Committee met thrice during the financial year 2025-26 on 12th May 2025, 11th August, 2025 and 08th November 2025 as under:

Name of Directors	Acting in Committee as	Attendance of Committee Meetings held in 2025-26
Dr. Shailesh Ayyangar	Chairman	3/3
Mr. Mahendra Sanghvi	Member	3/3
Ms. Sangeeta Singh	Member	3/3
Mr. Samaresh Parida	Member	3/3

The Company Secretary of the Company acts as the Secretary to the Committee.

Dr. Shailesh Ayyangar, Chairman of the Nomination & Remuneration Committee attended the 45th Annual General Meeting held on 27th September 2025.

d. Performance Evaluation:

Guided by the prevailing regulatory environment of the SEBI Listing Regulations, 2015 and the Companies Act, 2013, the framework used to evaluate the performance of Independent and the Executive Directors is based on the expectation that they perform their duties in a manner which creates and continues to build sustainable value for the shareholders and in accordance with the duties and obligations abided on them.

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationships with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

e. Policy on Nomination & Remuneration:

The Nomination & Remuneration Policy is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve the desired results. Shaily's business model promotes customer centricity and requires employee mobility to address project needs. The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. The policy adheres to the prevailing regulatory requirements of the SEBI Listing Regulations, 2015 and the Companies Act, 2013.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to the Executive Directors including the Managing Director of the Company, as approved by the shareholders, when so required.

The non-executive directors of the Company are Independent Directors and are paid sitting fees for attending meetings of the Board and Committees.

There has been no change in the Nomination & Remuneration Policy of the Company. It can be viewed at https://static.shaily.com/NVmusaHvSkCkSxPngRsT-sepl-nomination-remuneration-policy-pdf

Risk Management Committee (RMC)

a. Composition of Risk Management Committee

The composition of the Risk Management Committee of the Company is in line with the provisions of Regulation 21 of the SEBI Listing Regulations, 2015.

Composition of Risk Management Committee 31st March 2026 is as under:

Name of Director	Acting in committee as	Category
Dr. Shailesh Ayyangar	Chairman	Independent Director
Mr. Ranjit Singh	Member	Independent Director
Mr. Mahendra Sanghvi	Member	Executive Chairman
Mrs. Tilottama Sanghvi	Member	Whole Time Director
Mr. Samaresh Parida	Member	Independent Director

b. Terms of Reference:

The terms of reference of the Risk Management Committee covers the matters specified for Risk Management Committee under the SEBI Listing Regulations, 2015.

C. Meetings of Risk Management Committee and Attendance of Members:

The Risk Management Committee met twice during the financial year 2025-26 at the registered office of the Company on 02nd September 2025 and 03rd March 2026.

Name	Acting in committee as	Attendance in Committee Meetings held in 2025-26
Dr. Shailesh Ayyangar	Chairman	2/2
Mr. Ranjit Singh	Member	2/2
Mr. Mahendra Sanghvi	Member	2/2
Mrs. Tilottama Sanghvi	Member	2/2
Mr. Samaresh Parida	Member	2/2

The Company Secretary of the Company acts as the Secretary to the Committee.

Stakeholders' Relationship Committee

a. Composition of Stakeholders' Relationship Committee (SRC)

The composition of Stakeholders' Relationship Committee of the Company is in line with the provisions of Regulation 20 of the SEBI Listing Regulations, 2015 and Section 178(5) of the Companies Act, 2013, constituted to look into the mechanism of redressal of grievances of shareholders.

Composition of Stakeholders' Relationship Committee as on 31st March 2026 is as under:

Name of Director	Acting in committee as	Category
Ms. Sangeeta Singh	Chairperson	Independent Director
Mr. Amit Mahendra Sanghvi	Member	Managing Director
Dr. Shailesh Ayyangar	Member	Independent Direct
Mr. Samaresh Parida	Member	Independent Director

The Company Secretary of the Company acts as the Secretary to the Committee.

b. Meetings of SRC & Attendance

There was one meeting of the Stakeholders' Relationship Committee held during 2025-26 on 12th May 2025. All the members attended the meeting.

Name	Acting in committee as	Attendance in Committee Meetings held in 2025-26
Ms. Sangeeta Singh	Chairman	1/1
Mr. Amit Mahendra Sanghvi	Member	1/1
Mr. Samaresh Parida	Member	1/1
Dr. Shailesh Ayyangar	Member	1/1

Ms. Sangeeta Singh, Chairperson of SRC, attended the 45th Annual General Meeting of the Company held on 27th September 2025.

c. Compliance Officer

- Mr. Harish Punwani, Company Secretary is the Compliance Officer of the Company and looks after the compliance of requirements of Securities & Corporate Laws.

d. Investor grievance redressal

During the financial year FY 2025-26:

No. of complaint received from the shareholder	0
No. of complaints solved to the satisfaction of shareholders	0
No. of pending complaints	0

Corporate Social Responsibility Committee (CSR Committee)

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, recommend amount of expenditure to be incurred on CSR activities, oversee the implementation of CSR projects/programs undertaken by the Company, suggest remedial measures, where required, and monitor the CSR Policy from time to time.

a. Composition of Corporate Social Responsibility Committee:

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act 2013.

Composition of CSR committee:

Name of Director	Acting in committee as	Category
Mr. Ranjit Singh	Chairman	Independent Director
Mr. Laxman Sanghvi	Member	Executive Director
Mrs. Tilottama Sanghvi	Member	Whole Time Director
Ms. Sangeeta Singh	Member	Independent Director

The Company Secretary of the Company acts as the Secretary to the committee.

b. Meetings of Corporate Social Responsibility Committee and Attendance:

There were two meetings of the Corporate Social Responsibility Committee held during 2025-26 on 12th May 2025 and 08th November, 2025.

Name	Acting in committee as	Attendance in Committee Meetings held in 2025-26
Mr. Ranjit Singh	Chairman	2/2
Mr. Laxman Sanghvi	Member	1/2
Mrs. Tilottama Sanghvi	Member	2/2
Ms. Sangeeta Singh	Member	2/2

Senior management:

Particulars of senior management since the close of the previous financial year:

Sr. No	Name of SMP	Changes during the year
1	Mr. Paresh Jain	No change has taken place during the year
2	Mr. Harish Punwani	No change has taken place during the year

Remuneration of Directors

a. Executive Directors

The details of all elements of the remuneration package, i.e. salary, benefits, bonus, pension, etc., paid to the Executive Directors for the financial year 2025-26 are given below:

(In ₹)

Name & Designation of Executive Directors	Salary	Allowances & Perquisites	Company's contribution to funds	Others	Total
Mr. Mahendra Sanghvi Executive Chairman	44,585,988	26,166,919	5,250,246	4,246,284	80,249,437
Mr. Laxman Sanghvi Executive Director	7,539,300	3,742,693	870,491	718,008	12,870,492
Mrs. Tilottama Sanghvi Whole - Time Director	7,539,300	3,742,691	878,896	718,008	12,878,895
Mr. Amit Mahendra Sanghvi Managing Director	0	0	0	0	0
Total	**59,664,588**	**33,652,303**	**6,999,633**	**5,682,300**	**105,998,824**

a) Sitting fees are not paid to Executive Directors

b) The Executive Directors and the Company are entitled to terminate the service contracts by giving not less than three months' notice in writing to the other party. There is no provision for payment of severance fees.

c) The Executive Directors are not paid any performance-linked incentives or commission. The remuneration is paid, as approved by the members, wherever required. The Company does not have granted any Stock Options to Directors.

d) The company's contribution to funds includes contribution to superannuation funds.

b. Non - Executive Directors [NED]

The Non-Executive Directors are paid ₹1,00,000/- as sitting fees for attending Board Meeting(s); ₹50,000/- for Committee Meeting(s). The Non-Executive Directors are also paid re-imbursement of out-of-pocket expenses, if any, incurred for attending meetings of the Board of Directors and Committees thereof. No commission/ share of profit is paid to the Non-Executive Directors.

Sitting Fees paid to the Non-Executive Directors during FY 2025-26:

(in ₹)

Name of Director	Sitting fees
Mr. Ranjit Singh	9,00,000
Dr. Shailesh Ayyangar	10,00,000
Mr. Samaresh Parida	10,00,000
Ms. Sangeeta Singh	10,00,000
Total	**39,00,000**

General Body Meetings

The details of the last three Annual General Meetings are as follows:

Financial Year	Location	Date	Time	No. of Special Resolutions passed	Title of Special Resolutions passed
2022-23	Video Conferencing/ Other Audio-Visual means hosted from the registered office of the Company located at Survey No. 364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat, India	29th September 2023	10:30 a.m. IST	3	1. Re-appointment of Mr. Amit Mahendra Sanghvi as Managing Director 2. Revision in remuneration to be paid to Mrs. Tilottama Sanghvi, Whole Time Director, effective from 1st April 2023. 3. Revision in Remuneration to be paid to Mr. Laxman Sanghvi, Executive Director, effective from 1st April 2023.
2023-24	Video Conferencing/ Other Audio-Visual means hosted from the registered office of the Company located at Survey No. 364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat, India	21st September 2024	10:00 a.m. IST	5	1. Change in Remuneration of Mr. Mahendra Sanghvi, (DIN:00084162), Executive Chairman, effective from 1st April 2024. 2. Change in Remuneration of Mr. Amit Mahendra Sanghvi, (DIN: 00022444) Managing Director, effective from 1st April 2024. 3. Re-Appointment of Mr. Mahendra Sanghvi (DIN: 00084162) as an Executive Chairman effective from 1st April 2025 for a period of three (3) years from 01st April 2025 to 31st March 2028. 4. Re-Appointment of Mr. Laxman Sanghvi (DIN: 00022977) as an Executive Director effective from 1st April 2025 for a period of three (3) years from 01st April 2025 to 31st March 2028. 5. Re-Appointment of Mr. Shailesh Ayyangar (DIN: 00268076) as an Independent Director.

Financial Year	Location	Date	Time	No. of Special Resolutions passed	Title of Special Resolutions passed
2024-25	Video Conferencing/ Other Audio-Visual means hosted from the registered office of the Company located at Survey No. 364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat, India	27th September 2025	10:30 a.m. IST	4	1. To change the remuneration of Mr. Mahendra Sanghvi, (DIN:00084162) Executive Chairman, effective from 1st April 2025. 2. To change the remuneration of Mrs. Tilottama Sanghvi, (DIN: 00190481) Whole-time Director, effective from 1st April 2025. 3. To change the remuneration of Mr. Laxman Sanghvi, (DIN: 00022977) Executive Director, effective from 1st April 2025. 4. To re-appoint Mrs. Tilottama Sanghvi (DIN: 00190481) as a Whole-time Director effective from 1st February 2026 for a period of three (3) years

There were no resolutions passed by way of postal ballot in the last financial year. Further, there is no resolution(s) proposed to be passed by way of postal ballot.

Means of Communication

Financial Results	The financial results viz., quarterly/half yearly/annual are sent to the stock exchanges and published in newspapers having nation-wide coverage.
Newspapers wherein results are normally published	The Financial Results are normally published in: The Business Standard (English) Vadodara Samachar (Gujarati)
Website	The Company's website www.shaily.com contains a separate dedicated section "Investors" at https://www.shaily.com/investors where shareholders information is available. The full Annual Report is also available on the website in a user friendly and downloadable format at https://www.shaily.com/investors/disclosure-under-regulation-46-of-sebi-lodr Apart from this, official news releases, quarterly results/investors presentation made to Analysts/ Institutional Investors, information of earnings call, transcript of earnings call, financial results, shareholding pattern, etc., are also displayed on the Company's website.
BSE Corporate Compliance & Listing Centre	BSE's Listing Centre is a web-based application designed for corporates. All periodical filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, amongst others filings are filed electronically on the Listing Centre, which disseminates it to the public at large.
NSE NEAPS and Digital Exchange Portal	NSE's NEAPS and digital exchange portal is a web-based application designed for corporates. All periodical filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the NEAPS and Digital Exchange Portal, which disseminates it to the public at large.

General Shareholder Information

S.#	Particulars	Description
a)	**Annual General Meeting - Date, Time & Venue**	Monday,28th September 2026 at 11:00 a.m. IST Through Video Conferencing/ Other Audio-Visual Means. Details are available in the Notice convening the 46th Annual General Meeting of the Company.
b)	**Financial Year**	1st April 2025 to 31st March 2026
c)	**Dividend Payment Date**	Final Dividend of ₹3/- per Ordinary (Equity) share of ₹2/- each for the Financial Year 2025-26 shall be paid within statutory time limit if approved by the members at 46th Annual General Meeting of the Company.
d)	**Record date**	Friday, 11th September, 2026
e)	**Listing on Stock Exchange**	1. BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India. 2. National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (East) Mumbai – 400051 Requisite listing fees on BSE & NSE for FY 2026-27 has been duly paid.
f)	**Stock Code**	BSE Equity: 501423 NSE Equity: SHAILY
g)	**Market price data -high, low during each month in F.Y. 2025-26**	Please see “Annexure A”
h)	**Share performance of the Company in comparison to BSE & NSE**	Please see “Annexure B”
i)	**In case, securities are suspended from trading, the directors report shall explain the reasons thereof**	The securities of the Company have not been suspended from trading any time during 2025-26.
j)	**Registrar & Share Transfer Agent**	Bigshare Services Pvt. Ltd. Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400093 Ph: +91 22 6263 8200 Fax: +91 22 6263 8299 Web: www.bigshareonline.com Email: investor@bigshareonline.com
k)	**Share Transfer system**	1. Effective 1 April 2019, as per SEBI Notification and further amendment, requests for effecting transfer of securities are not processed unless the securities are held in the dematerialised form with the depositories. 2. Pursuant to SEBI Master Circular HO/38/13/(3)2026 MIRSD POD/I/3763/2026 dated January 30, 2026, listed companies shall process investor’s service requests in dematerialized form only (while processing Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Endorsement, Subdivision / Splitting of securities certificate, Consolidation of securities certificates/ folios, Transmission, or Transposition).

S.#	Particulars	Description
		Pursuant to SEBI Circular No. HO/38/13/(3)2026 MIRSD POD/I/3763/2026 dated January 30, 2026, the requirement for issuance of a Letter of Confirmation (LOC) in lieu of physical share certificates has been dispensed effective April 02, 2026. Further, SEBI has now mandated to effect direct credit of securities into the dematerialisation account of the investor/ claimant within 30 days of receipt of such request after removing objections. Any LOC issued prior to April 02, 2026, may be submitted by the investors to Depository Participant for dematerialisation within the specified timeline i.e. 120 days from the date of issuance of such LOC. 3. Pursuant to the SEBI circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 02nd July 2025 ("SEBI Circular") read with HO/38/13/11(2)2026-MIRSDPOD/I/3750/2026 dated January 30, 2026, another Special window has been opened for a period of 1 (One) year from 05th February, 2026 to 04th February, 2027 for the shareholders for re-lodgement of transfer deeds, which were lodged prior to the deadline of 01st April, 2019 and rejected/ returned/ not attended to due to deficiency in the documents/ process/ or otherwise. Further, the window also allows fresh lodgement for Physical securities sold / purchased prior to April 01, 2019 for which no transfer deeds lodged till date. The shareholders may reach out to the Registrar and Share Transfer Agents of the Company (M/s Bigshare Services Private Limited). Shareholders may note that the securities transferred during this window period shall be credited in demat form and shall be under lock-in for a period of one year from the date of registration of transfer. Shareholders are encouraged to take advantage of this opportunity by submitting the necessary documents to the RTA. 4. The Stakeholders' Relationship Committee has delegated powers to Registrar and Share Transfer Agents (M/s Bigshare Services Private Limited) to effect investor service request for transfer/transmission, name deletion, dematerialization, etc.
l)	**Distribution of shareholding/ Shareholding Pattern as on 31st March 2026**	Detailed at "Annexure C" to this Report.
m)	**Dematerialisation of shares and liquidity**	Detailed at "Annexure D" to this Report
n)	**Outstanding GDRs/ ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**	Not applicable
o)	**Commodity price risk or foreign exchange risk and hedging activities**	Not applicable
p)	**Offices and Plant Locations**	**Registered Office** Survey No. 364/366, At & Po Rania, Vadodara - 391 780, Gujarat, India **Correspondence Office** 8, J P Nagar, Old Padra Road, Vadodara – 390 007, Gujarat, India **Plants Locations** • Survey No. 363, At & Po Rania, Vadodara - 391 780, Gujarat, India • Survey No. 364/3, 366, At & Po Rania, Vadodara - 391 780 Gujarat, India • Survey No. 364/1-2 (A), At & Po Rania, Vadodara - 391 780 Gujarat, India • 706-708, GIDC, Halol, Panchmahal - 389 350, Gujarat, India • Survey No. 208/1, 209/1P1, 209/2-5 and 210/5P1, Halol-Savli Road, Chandrapura, Halol, Panchmahal - 389 350 Gujarat, India • Survey No. 212/5 and 213/1-3, Halol-Savli Road, Chandrapura, Halol, Panchmahal - 389 350, Gujarat, India

S.#	Particulars	Description
q)	**Address for Correspondence/Investor Correspondence**	**Shaily Engineering Plastics Ltd.** **Company Secretary and Compliance Officer** Survey 364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat, India. Ph: +91 75748 05122 +91 75748 05181 Web: www.shaily.com. Email: investors@shaily.com **Bigshare Services Pvt. Ltd.** Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400093 Ph: +91 22 6263 8200 I Fax : +91 22 6263 8299 Web: https://shaily.com/ Email : investor@bigshareonline.com **Note: Shareholders are advised to address query/request in respect of shares to the RTA. In addition, they may also correspond at the above address. It is further advised to quote their folio number, DP & Client ID number, as the case may be, in all correspondence with it.**
r)	**Credit Rating**	CARE continues to accord the ratings on the bank facilities of the Company as under: Long-term facilities - CARE A+; Stable (A Plus; Outlook: Stable) On long term bank facilities of ₹239.62 Cr. (Enhanced from 238.45) The above ratings were re-affirmed to CARE A+ during the year by CARE. Short-term facilities - CARE A1 (A One) and short-term bank facilities of ₹35.00 Cr The above ratings were re-affirmed by CARE during the year.

Other Disclosures

a. Related Party Transactions:

During the year, no materially significant Related Party Transactions, that may have a potential conflict with the interest of the Company at large, have been entered.

The Board has approved a policy for related party transactions which can be viewed at https://static.shaily.com/CfC9imMVTCCxOiyoTke7-rpt-policy-13052025-pdf

b. Compliance:

The Company has complied with all the provisions of SEBI Listing Regulations, 2015 as well as regulations and guidelines of Securities and Exchange Board of India (SEBI). There have been no instances of non-compliance by the Company on any matters related to capital markets during the last three (3) years and, hence, no penalty or strictures are imposed by SEBI or the Stock Exchanges or any Statutory Authority.

Details of penalty: There were no instances of Fine or Penalty during the FY 2025-26:

Sr. No.	Delayed Compliance under Regulation	Fine Amount	Amount in (₹)	Date of Payment
Not Applicable				

c. Vigil Mechanism/Whistle Blower Policy:

The Company has established vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.

The Whistle Blower Policy/Vigil Mechanism is placed at our website on https://shaily.com/investors at weblink https://static.shaily.com/6YQbFHzPS1eqWAVJ3sIk-sepl-vigil-mechanism-policy-pdf

The Company has provided opportunities to encourage employees to become whistleblowers. It has also ensured a mechanism within the same framework to protect them from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

d. Compliance with mandatory and non-mandatory requirements:

The Company complies with all the mandatory requirements of the SEBI Listing Regulations, 2015 with regard to Corporate Governance. Non-mandatory requirements:

i. Office for non-executive Chairman at Company's expense: Not Applicable as the Company has Executive Chairman.

ii. Modified opinion(s) in Audit Report: There is no modified opinion in the Auditor's Report.

iii. Reporting of Internal Auditors directly to Audit Committee: Internal Auditors directly report to Audit Committee.

iv. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: Complied.

v. Two meetings of Independent Directors: One Independent Director meeting was held in the Financial Year ended March 31, 2026, without the presence of non-independent directors and members of the management and all the independent directors were present at the meeting.

e. Policy for determining 'material subsidiaries':

The Company has formed Policy for determining Material subsidiary(ies). The same is available on the website of the Company at https://www.shaily.com/investors at weblink https://static.shaily.com/Cu2y8dzzSNiSuGI0KQZO-policy-on-material-subsidiary-w-e-f-08-02-2025-pdf

f. Disclosure of commodity price risks and commodity hedging activities:

The Company is not listed under the Commodity exchange and therefore trading in relation to commodities and commodity hedging is not applicable to the Company.

g. Details of utilization of funds raised through preferential allotment/qualified institutions placement:

During the Financial year, the Company has not raised any funds through preferential allotment/ qualified institutional placement. Hence, this is not applicable to the Company.

h. Independent Directors' Meeting:

The Independent Directors met on 12th February 2026 to carry out the evaluation for the financial year 2025-26 and inter alia, discussed the following:

i. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.

ii. Evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-executive Directors.

iii. Evaluation of quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively perform its duties.

i. Fees paid to Statutory Auditors:

The Company during the year paid an amount of ₹52.25 lacs to its Statutory Auditor M/s B S R and Co., Chartered Accountants and all entities in the network firm/network entity of which the statutory auditor is a part.

The same is detailed under Note 26 of the financial statements for the year ended on 31st March 2026. M/s. B S R and Co., Chartered Accountants, statutory auditors of the company, has not provided any professional services to our subsidiary company.

j. Obligation of Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013:

The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary and trainees) are covered under this Policy.

https://static.shaily.com/Mh3QjKaT3CWqAFWt9bnK-sepl-hr-010-anti-sexual-harrasment-policy-pdf

One Complaint has been received by the Committee during the financial year.

No. of complaints disposed of during the financial year : 1 Complaint

and No. of complaints pending as on end of the financial year: Nil

k. Instances of not accepting any recommendation of the Committee by the Board:

There were no such instances where the Board had not accepted any recommendation of any committee of the Board, whether mandatorily required or not, in the relevant financial year.

l. Loans and advances in the nature of loans to firms/ companies in which directors are interested:

The Company has not granted any amount of loans and advances in the nature of loans to firms/companies in which directors are interested except for advancing Loan to its Wholly Owned Subsidiary Shaily Innovations FZCO, Dubai, UAE.

m. Disclosure of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has complied with the requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the SEBI Listing Regulations, 2015.

n. Certificate of Non-Disqualification from Company Secretary in Practice:

Certificate from M/s Samdani Shah and Kabra, Company Secretaries, Vadodara, confirming 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 SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34(3) of the SEBI Listing Regulations, 2015 read with Schedule V, is attached to this Report.

o. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Sr. No.	Name of the Material Subsidiary	Date of incorporation	Place of incorporation	Name of appointment of the statutory auditors of subsidiary:	Date of appointment of the statutory auditors of subsidiary:
Not Applicable					

p. Transfer of Unclaimed Dividend to IEPF:

Section 124 & 125 of the Companies Act, 2013 read with rules made thereunder, prescribe that dividends that remain unclaimed for a period of seven consecutive years or more, are statutorily required to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government, and thereafter the shareholders can claim their unpaid dividend from the IEPF.

Calendar for transfer of unclaimed dividend to IEPF:

Financial Year	Type of Dividend	Date of Declaration	Amount of Unpaid Dividend	Due for transfer to IEPF
2023-24	Final Dividend	21st September 2024	₹33,453/-	October 2031
2024-25	Final Dividend	27th September 2025	₹17,05,467/-	October 2032

Members, who have not yet encashed their dividend warrant(s), are requested to make their claims without any delay to the Company's Registrar & Share Transfer Agent – Bigshare Services Pvt. Ltd. The Company has declared dividend of ₹3/- per share for the financial year 2025-26.

q. Details of Unclaimed Suspense Account as per the provisions of Schedule V of the SEBI Listing Regulations, 2015:

(i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; 5 Shareholders & 5500 shares

(ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: NIL

(iii) Number of shareholders to whom shares were transferred from suspense account during the year: NIL

(iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; 5 Shareholders & 5500 shares

(i) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Disclosure of certain types of agreements binding listed entities:

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations, 2015

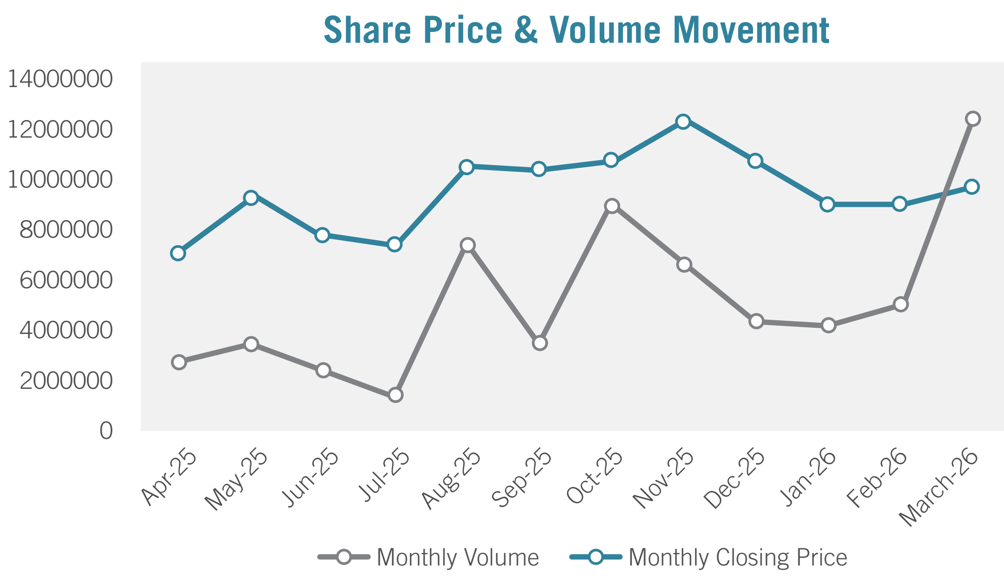
Annexure – A:

Market Price Data, High and Low during each month in the Financial Year 2025-26:

Month	BSE & NSE			
	Monthly High Price	Monthly Low Price	Monthly Closing Price	Monthly Volume
Apr-25	1,858.00	1,372.65	1,516.15	29,04,719
May-25	2,023.90	1,460.05	2,016.80	34,85,467
Jun-25	2,073.80	1,611.05	1,662.50	24,83,493
Jul-25	1,969.00	1,536.50	1,585.60	14,54,370
Aug-25	2,249.00	1,534.25	2,231.40	73,99,062
Sep-25	2,670.00	2,143.70	2,176.55	34,19,870
Oct-25	2,620.00	2,110.00	2,272.85	90,46,719
Nov-25	2,799.90	2,250.00	2,602.00	66,99,709
Dec-25	2,691.00	2,207.20	2,261.60	41,40,425
Jan-26	2,344.50	1,784.00	1,912.60	41,99,317
Feb-26	2,290.00	1,858.00	1,950.10	48,99,464
March-26	2,505.10	1,660.00	2,084.40	1,21,90,092

Annexure – B:

Share performance of the Company in comparison to BSE and NSE:



Annexure-C

Distribution of shareholdings as on 31st March 2026 is as under:

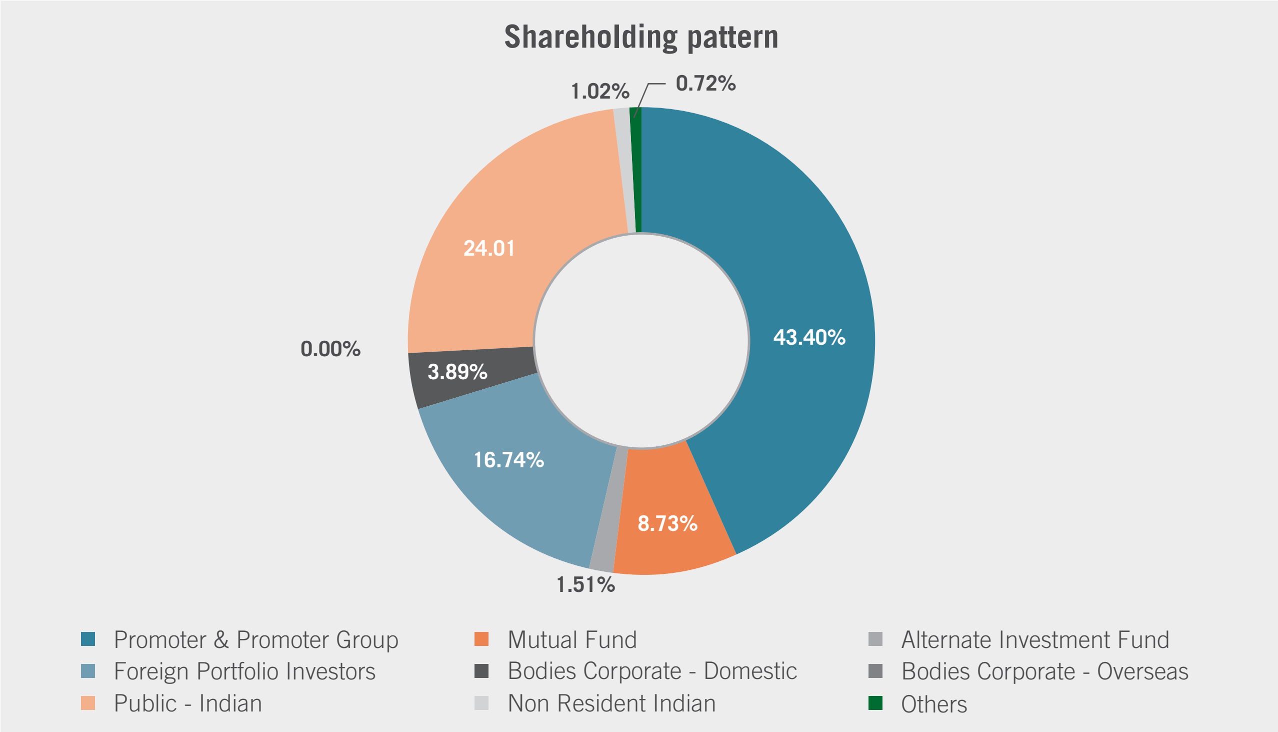
Nominal value of shareholding	Number of shareholders	% of total shareholders	Amount of shares	% of total shares
upto-5000	52,619	98.66	8,767,770	9.54
50001-10000	327	0.61	2,386,242	2.60
10001-20000	153	0.29	2,143,434	2.33
20001-30000	66	0.12	1,664,188	1.81
30001-40000	36	0.07	1,247,910	1.36
40001-50000	14	0.03	641,538	0.70
50001-100000	41	0.08	2,983,214	3.24
100001- or More	75	0.14	72,075,890	78.42
Total	**53,331**	**100**	**91,910,186**	**100**

The information given in the above distribution schedule is based on the reports from the RTA.

Note: Number of shareholders are not clubbed based on PAN. complied on reports of Registrar & Share Transfer Agents of the Company, M/s. Bigshare Services Pvt. Ltd.

Shareholding as on 31st March 2026

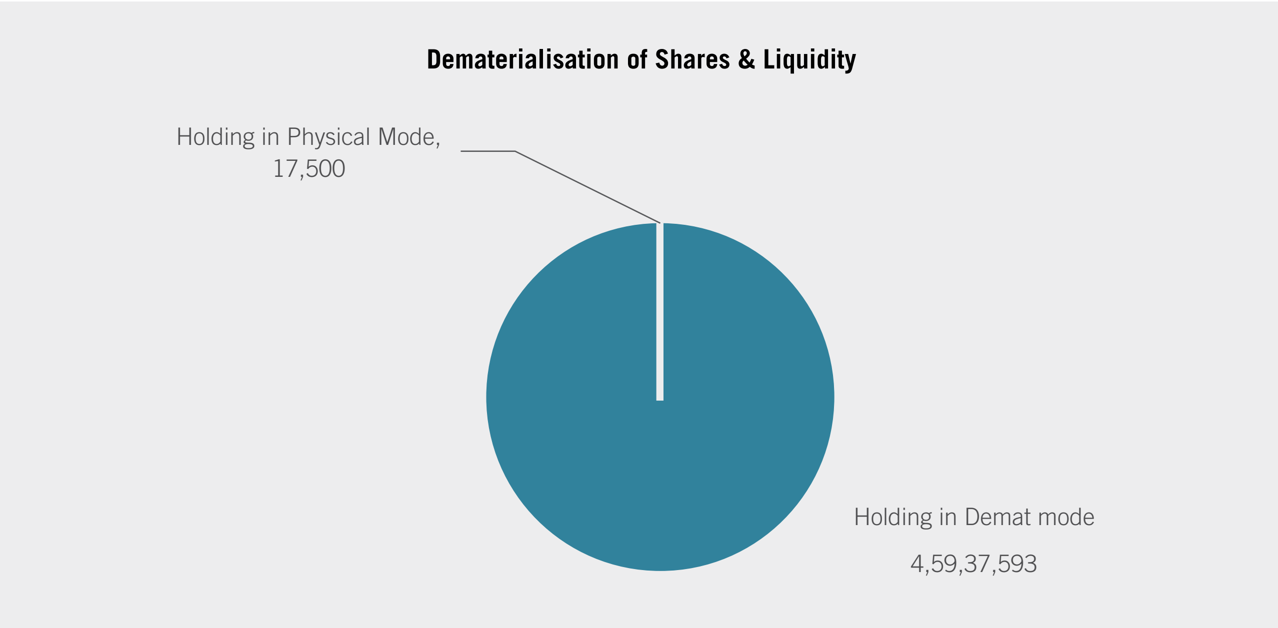
Particulars	As on 31.03.2026	
	%	No. of shares
Promoter & Promoter Group	43.40	19,942,600
Mutual Fund	8.73	4,012,528
Alternate Investment Fund	1.50	691,973
Foreign Portfolio Investors	16.73	7,690,650
Bodies Corporate - Domestic	3.89	1,789,238
Bodies Corporate - Overseas	0	0
Public - Indian	24.01	11,031,899
Non-Resident Indian	1.02	466,868
Others	0.72	329,337
Total	**100.00%**	**4,59,55,093**



Annexure – D

Dematerialization of shares and liquidity

Sr. No.	Status	Number of Shares	%
1	Holding in Demat mode	4,59,37,593	99.962
2	Physical shareholding	17,500	0.038
	Total	**4,59,55,093**	**100.00**



* Previous year (i.e. as on 31st March 2025) - Demat holding was 99.95%

For and on behalf of the Board of Directors

Mahendra Sanghvi
Executive Chairman
DIN:00084162

Place: Vadodara
Date: 08th August 2026

Corporate Governance Compliance Certificate

For the Financial Year ended March 31, 2026

[Pursuant to Schedule V – Part E of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Shaily Engineering Plastics Limited

We have examined the compliance of the conditions of Corporate Governance by Shaily Engineering Plastics Limited ("Company"), for the financial year ended March 31, 2026 ("review period"), as stipulated in Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the review period.

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

S. Samdani
Partner

Samdani Shah and Kabra
Company Secretaries
FCS No.: 3677 I CP No.: 2863

ICSI Peer Review No.: 7619/2026
ICSI Unique Code: P2008GJ016300
ICSI UDIN: F003677H001057224

Place: Vadodara I Date: August 08, 2026

Certificate of Non-Disqualification of Directors

For the Financial Year ended March 31, 2026

[Pursuant to Regulation 34(3) read with Schedule V Para C Clause 10 (i)
of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Shaily Engineering Plastics Limited

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of Shaily Engineering Plastics Limited ("Company"), having CIN: L51900GJ1980PLC065554 and registered office situated at Survey No. 364 / 366, At & Po. Rania, Taluka Savli, Vadodara - 391780, Gujarat, India, as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of the Director	DIN	Original Date of Appointment
1.	Mr. Amit Mahendra Sanghvi	00022444	01-10-2011
2.	Mr. Laxman Bhogilal Sanghvi	00022977	09-03-1995
3.	Mr. Mahendra Bhogilal Sanghvi	00084162	09-03-1995
4.	Mr. Ranjit Singh	01651357	18-05-2019
5.	Mr. Samaresh Parida	01853823	30-05-2022
6.	Ms. Sangeeta Kapil Jit Singh	06920906	30-05-2022
7.	Mr. Shailesh Kripalu Ayyangar	00268076	29-05-2020
8.	Mrs. Tilottama Mahendra Sanghvi	00190481	09-03-1995

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

S. Samdani
Partner

Samdani Shah and Kabra
Company Secretaries
FCS No.: 3677 I CP No.: 2863

ICSI Peer Review No.: 7619/2026
ICSI Unique Code: P2008GJ016300
ICSI UDIN: F003677H001057325

Place: Vadodara I Date: August 08, 2026

Code of Conduct

The Board has adopted a Code of Conduct for all the Board Members and Senior Management Personnel of the Company, and the said Code of Conduct is posted on the website of the Company at www.shaily.com , a declaration signed by the Managing Directors is given below:

"I, Amit Mahendra Sanghvi, Managing Director of the Company hereby confirm that:

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on 31st March 2026.

Amit Mahendra Sanghvi
Managing Director
DIN: 00022444

Independent Auditor's Report

To
The Members of
Shaily Engineering Plastics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Shaily Engineering Plastics Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

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.

Revennue Recognition

See Note 2(d) and 20 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from the sale of goods and sale of services has been recognised when the control of the goods and services is transferred which is generally in accordance with the terms of sales and service contracts. We have identified the recognition of revenue as key audit matter because revenue is a key performance indicator of the Company, and therefore there is an inherent risk that revenue at period end is overstated to meet financial expectations or targets. The Company has various customers with different terms of trade which increase the risk in the timing of revenue recognition. There is also a risk of revenue being overstated through booking fictitious sales from new customers during the year resulting from pressure on the Company to achieve performance targets during the year as well as at the reporting period end.	**Our procedures included the following:** 1. Assessing the Company's accounting policies for revenue recognition by comparing with the applicable accounting standards; 2. Obtain understanding of and assessing the design implementation and operating effectiveness of the Company's key internal financial controls in relation to revenue recognition; 3. Inspecting customer contracts, on random sample basis to identify the terms and conditions relating to the transfer of control of the products sold and services provided and assessing the Company's timing of revenue recognition; 4. Identified significant terms and deliverables in contract to assess management's conclusion regarding the (i) identification of distinct performance obligation (ii) allocating the transaction price to the performance obligation in the contract; 5. Comparing on test check basis revenue transactions recorded throughout the year and before the financial year end with relevant underlying documents including gate outward register and shipping documents to assess whether revenue from sale of goods has been recognised in the appropriate financial period; 6. Assessed journals posted to revenue to identify unusual items; and 7. Assessing and testing the adequacy of presentation and disclosures.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and 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 and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either 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.

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

Report on Other Legal and Regulatory Requirements

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

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

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

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)f below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 1 April 2026 and 20 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

   a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

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

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

   d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 41 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.

   (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 13(b) to the standalone financial statements, the Board of Directors of the Company has 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.

f. 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 that has been enabled, except for the feature of recording audit trail (edit log) facility for certain fields was enabled at the application layer of the accounting software which is main ERP for masters and for direct data changes to transactions during the period starting 1 April 2025 to 31 March 2026 in phased manner, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Additionally, other than the period where audit trail was not enabled in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R and Co
Chartered Accountants
Firm's Registration No.:128510W

Shabbir Readymadewala
Partner
Membership No.: 100060
ICAI UDIN:26100060VOVGFU1953

Place: Vadodara
Date: 19 May 2026

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Shaily Engineering Plastics Limited for the year ended 31 March 2026

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

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

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification 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 and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

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

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year.For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. However, the Company is not required to file the quarterly returns or statements. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security, or advances in nature of loans secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. the Company has not made any investments in firms, limited liability partnership or any other parties during the year. The Company has not granted loans to firms and limited liability partnerships. However, the Company has made investments in company and granted loans to company and other parties in respect of which requisite information is as below.

Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has made investments as below:

Name of Company	Type of Investment	Amount in INR Lakhs
Shaily Innovations FZCO	Equity Shares	23.38

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to employees and company as below:

Particulars	Loans (₹ in lakhs)
Aggregate amount during the year	
Subsidiary*#	977.34
Others	228.71
Balance outstanding as at balance sheet date	
Subsidiary*#	977.34
Others	39.58

*As per the Companies Act, 2013
#this also includes interest accrued

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the investment made and grant of loans during the year are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the loan of ₹ 977.34 lakhs given to Shaily Innovations FZCO which is repayable on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular on loans other than loan granted to Shaily Innovations FZCO. In respect of loan granted to Shaily Innovations FZCO, interest is payable by Shaily Innovations FZCO upon repayment of the loan. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related party as defined in Clause (76) of Section 2 of the Companies Act, 2013 (“the Act”):.

Particulars	Related Party
Aggregate of loans	
- To subsidiary - Shaily Innovations FZCO - Repayable on demand	977.34
Percentage of loans to the total loans	81.04%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 (“the Act”) have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Service Tax, Income-Tax, Excise Duty, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Unpaid amount (₹ in lakhs)*
Customs Act, 1962	Custom Duty	97.84	2009-10 to 2017-18	CESTAT, Mumbai	-
Central Excise Act, 1944	Excise Duty	3.22	2009-10	Additional Commissioner of Excise and Service Tax	3.22
Finance Act, 1944	Service Tax	185.75	2014-17	CESTAT, Ahmedabad	165.55
Finance Act, 1944	Service Tax	8.18	2015-18	CESTAT, Ahmedabad	7.36
The Income Tax Act, 1961	Income Tax	2.46	2007-08	Commissioner of Income Tax (Appeal)	2.46

* Net of amount paid under protest

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

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

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

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

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

(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 (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the 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) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

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

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

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

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are 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. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

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

(d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For B S R and Co
Chartered Accountants
Firm's Registration No.:128510W

Shabbir Readymadewala
Partner
Membership No.: 100060
ICAI UDIN:26100060VOVGFU1953

Place: Vadodara
Date: 19 May 2026

Annexure B to the Independent Auditor’s Report on the standalone financial statements of Shaily Engineering Plastics Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Shaily Engineering Plastics Limited (“the Company”) as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 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 issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Company’s Management 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. 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to 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 controls 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 B S R and Co
Chartered Accountants
Firm's Registration No.:128510W

Shabbir Readymadewala
Partner
Membership No.: 100060
ICAI UDIN:26100060VOVGFU1953

Place: Vadodara
Date: 19 May 2026

Standalone Balance Sheet as at 31st March, 2026

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	57,168.94	45,763.79
b) Capital work-in-progress	3A	2,880.26	1,735.96
c) Right-of-use asset	3B	116.16	48.70
d) Intangible assets	4	1,782.39	1,904.20
e) Intangible assets under development	4A	69.72	32.31
f) Financial assets			
i. Investments	5	1,148.61	1,125.23
ii. Other financial assets	6	48.99	47.74
g) Income tax assets (net)		130.51	148.05
h) Other non-current assets	7	4,195.12	2,389.95
Total non-current assets		**67,540.70**	**53,195.93**
Current assets			
a) Inventories	8	15,078.30	13,775.63
b) Financial assets			
i. Trade receivables	9	18,184.46	14,812.42
ii. Cash and cash equivalents	10	298.97	440.82
iii. Bank balances other than cash and cash equivalents	11	437.96	405.43
iv. Loans	12	1,016.94	34.28
v. Other financial assets	6	23.08	31.54
c) Other current assets	7	4,530.32	4,368.20
Total current assets		**39,570.03**	**33,868.32**
TOTAL ASSETS		**1,07,110.73**	**87,064.25**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	13(a)	919.10	919.10
b) Other equity	13(b)	64,026.81	48,702.75
TOTAL EQUITY		**64,945.91**	**49,621.85**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i. Borrowings	14	2,734.56	4,005.86
ii. Lease Liability	28	90.03	14.53
b) Provisions	16	499.37	393.90
c) Deferred tax liabilities (Net)	27(c)	3,067.99	2,263.97
d) Other non-current liabilities	17	4.54	6.34
Total non-current liabilities		**6,396.49**	**6,684.60**
Current liabilities			
a) Financial liabilities			
i. Borrowings	15	14,668.77	14,761.83
ii. Lease Liability	28	26.33	39.72
iii. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	18	1,919.76	1,594.88
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	18	6,518.08	8,192.64
iv. Other financial liabilities	19	2,219.98	1,254.55
b) Other current liabilities	17	9,352.02	3,764.75
c) Provisions	16	890.51	708.64
d) Current tax liabilities (Net)		172.88	440.79
Total current liabilities		**35,768.33**	**30,757.80**
TOTAL LIABILITIES		**42,164.82**	**37,442.40**
TOTAL EQUITY AND LIABILITIES		**1,07,110.73**	**87,064.25**
Notes forming part of the Financial Statements	1-47		

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Shabbir Readymadewala
Partner
Membership No: 100060

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

Vadodara
19 May 2026

Statement of Standalone Profit & Loss for the year ended 31st March, 2026

(₹ in Lakhs)

Particulars	Note No.	For year ended 31st March, 2026	For year ended 31st March, 2025
Income			
Revenue from operations	20	92,119.81	73,811.94
Other income	21	1,788.49	743.12
Total income		**93,908.30**	**74,555.06**
Expenses			
Cost of materials consumed	22(a)	42,742.15	42,959.61
Changes in inventories of finished goods and work-in-progress	22(b)	(976.31)	(1,386.89)
Power and fuel		3,285.38	3,141.26
Employee benefits expense	23	8,910.84	7,281.91
Finance costs	24	1,577.50	1,694.62
Depreciation and amortization expense	25	4,536.64	3,941.50
Other expenses	26	12,646.58	7,457.24
Total expenses		**72,722.78**	**65,089.25**
Profit before tax		**21,185.52**	**9,465.81**
Income tax expense			
- Current tax	27	4,141.58	2,038.94
- Deferred tax	27	911.90	335.86
Total tax expense		**5,053.48**	**2,374.80**
Profit for the year		**16,132.04**	**7,091.01**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post employment benefit obligations		(428.61)	(458.67)
- Income tax relating to above		107.88	115.45
Items that will be reclassified to profit or loss			
- Effective portion of gains on hedging instrument in cash flow hedges		0.75	7.51
- Income tax relating to above		(0.19)	(1.89)
Other Comprehensive Income net of income tax for the year		**(320.17)**	**(337.60)**
Total Comprehensive Income for the year		**15,811.87**	**6,753.41**
Earnings per Equity Share (Face value of ₹ 2 each)			
Basic	37	**35.10**	**15.45**
Diluted		**34.97**	**15.40**
Notes forming part of the Financial Statements	1-47		

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Shabbir Readymadewala
Partner
Membership No: 100060

Vadodara
19 May 2026

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

Standalone Cash Flow Statement for the year ended 31st March, 2026

(₹ in Lakhs)

	Particulars	Notes	For year ended 31st March, 2026	For year ended 31st March, 2025
A	**Cash flow from operating activities**			
	Profit before tax		21,185.52	9,465.81
	Adjustments for:			
	Depreciation and amortization expense	3	4,536.64	3,941.50
	(Gain) on sale of property, plant and equipment	21	(3.72)	(5.29)
	Interest income	21	(56.37)	(66.82)
	Interest component on account of Fair valuation of loan	21	(21.29)	(61.18)
	Provision of slow and non moving inventory	8	183.76	200.00
	Finance costs	24	1,577.50	1,694.62
	Allowance for expected credit losses (Impairment loss)	26	17.66	(107.98)
	Mark to Market Gain on Derivative Contract	26	16.16	138.41
	Net unrealised exchange gain	21	(1,094.18)	(548.46)
	ESOP cost		431.28	-
	Sundry balances written off/ written back		-	(0.62)
	Dividend income		(979.19)	(511.58)
	Provision for doubtful advances to supplier		(3.76)	(8.82)
	Operating profit before working capital changes		**25,790.01**	**14,129.60**
	Adjustments for:			
	(Increase) in trade receivables	9	(3,389.70)	(3,529.76)
	(Increase) in other receivables and advances	7	(151.60)	(873.36)
	(Increase) in loans		(5.31)	-
	(Increase) in inventory	8	(1,486.44)	(5,615.27)
	(Increase) / Decrease in other financial assets	6	(1.26)	17.49
	(Decrease) / Increase in trade payables	18	(255.49)	3,619.18
	Increase in other financial liabilities		89.88	-
	Increase in other liabilities and provisions	17	5,436.96	3,327.06
	Cash generated from operations		**26,027.05**	**11,074.94**
	Taxes paid (net of refunds)		(4,391.94)	(1,513.87)
	Net cash generated from operating activities		**21,635.11**	**9,561.08**
B	**Cash flow from investing activities**			
	Payment for purchases of property, plant and equipment (including capital advances and capital creditors)	3	(17,697.99)	(6,663.43)
	Payment for purchases of intangibles and Intangibles under development		(266.74)	(250.01)
	Proceeds from disposal of property, plant and equipment	3	38.61	10.59
	(Acquisition) / proceeds from investment in subsidiary		(23.38)	937.40
	Interest received	21	64.07	70.24
	Dividend received		979.19	511.58
	Loan given to Subsidiary (Shaily Innovations FZCO)		(977.34)	-
	(Investment)/ Proceeds from fixed deposit	11	(16.36)	8.68
	Net cash flow (used in) investing activities		**(17,899.94)**	**(5,374.95)**
C	**Cash flow from financing activities**			
	Repayment of long term borrowings		(1,271.30)	(3,822.86)
	Repayment from working capital loans (net)		(93.06)	1,798.55
	Issue of equity shares on exercise of option by employees		-	1.75
	Dividend paid		(902.93)	(459.04)
	Principal payment of lease liabilities (Refer note 28 e)		(31.55)	(44.37)
	New lease liability added (Refer note 28 e)		-	22.02
	Finance costs paid	24	(1,578.17)	(1,683.26)
	Net cash flow (used in) financing activities		**(3,877.01)**	**(4,187.21)**
D	**Net (decrease) in cash and cash equivalents.**		(141.84)	(1.09)
	Cash and cash equivalents as at beginning of the year		440.82	441.91
	Cash and cash equivalents as at end of the year		**298.97**	**440.82**

Standalone Cash Flow Statement for the year ended 31st March, 2026

(₹ in Lakhs)

Particulars	Notes	For year ended 31st March, 2026	For year ended 31st March, 2025
Reconciliation of cash and cash equivalents as per financial statement :			
Cash and cash equivalents comprise :			
a) Balances with banks			
In current accounts		209.24	0.21
In EEFC accounts		85.58	437.44
b) Cash on Hand		4.15	3.17
Total		**298.97**	**440.82**

(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows

(ii) Change in Liabilities arising from Financing Activities:

(₹ in Lakhs)

Analysis of changes in net debt			Non - cash		
	As at 31st March, 2025	Cash inflow/ (outflow)	Fair Value adjustments (including foreign exchange rate movement)	Others	As at 31st March, 2026
Current Borrowings (including Cash Credit/ Packing Credit)	11,682.24	(93.06)	-	-	11,589.18
Non-Current Borrowings (including current maturities of Non-Current Borrowings)	7,085.45	(1,271.30)	-	-	5,814.15
Net debt	**18,767.69**	**(1,364.36)**	**-**	**-**	**17,403.33**

(₹ in Lakhs)

Analysis of changes in net debt			Non - cash		
	As at 31st March, 2024	Cash inflow/ (outflow)	Fair Value adjustments (including foreign exchange rate movement)	Others	As at 31st March, 2025
Current Borrowings (including Cash Credit/ Packing Credit)	9,883.69	1,798.55	-	-	11,682.24
Non-Current Borrowings (including current maturities of Non-Current Borrowings)	10,951.50	(3,866.04)	-	-	7,085.45
Net debt	**20,835.17**	**(2,067.49)**	**-**	**-**	**18,767.69**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest accrued	85.65	128.83
Interest expense for the year	1,577.50	1,694.62
Paid for the year	(1,578.17)	(1,683.26)
Others	6.10	(54.53)
Closing interest accrued	**91.09**	**85.65**

(iii) Also refer note 10 for details of Cash and cash equivalents

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Shabbir Readymadewala
Partner
Membership No: 100060

Vadodara
19 May 2026

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

Standalone Statement of Changes in Equity for the year ended 31st March, 2026

Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at 1st April, 2024	**917.35**
Changes in equity share capital	1.75
As at 31st March 25	**919.10**
Changes in equity share capital	-
As at 31st March, 2026	**919.10**

Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus							Total other equity
	Securities premium reserve	General reserve	Capital reserve	Share Based Payment Reserve (Refer Note 43)	Cash flow hedge reserve	Other Comprehensive Income	Retained earnings	
As at 1st April, 2024	**18,088.52**	**191.58**	**92.91**	**109.71**	**(6.18)**	**(69.89)**	**23,824.25**	**42,230.89**
Addition During the Year	**73.46**	**-**	**-**	**177.13**	**-**	**-**	**-**	**250.59**
Profit for the year	-	-	-	-	-	-	7,091.01	7,091.01
Utilised	-	-	-	(73.46)	-	-	-	(73.46)
Dividends paid	-	-	-	-	-	-	(458.68)	(458.68)
Other comprehensive income/(Loss) on Remeasurements of post employment benefit obligations (Net of tax)	-	-	-	-	-	(343.22)	-	(343.22)
Other comprehensive income/(Loss) on Effective portion of gains on hedging instrument in cash flow hedges	-	-	-	-	5.61	-	-	5.61
Total comprehensive income for the year	**73.46**	**-**	**-**	**103.67**	**5.61**	**(343.22)**	**6,632.34**	**6,471.86**
As at 31st March, 2025	18,161.98	191.58	92.91	213.38	(0.57)	(413.10)	30,456.59	48,702.75
As at 1st April, 2025	**18,161.98**	**191.58**	**92.91**	**213.38**	**(0.57)**	**(413.10)**	**30,456.59**	**48,702.75**
Addition During the Year	-	-	-	431.28	-	-	-	431.28
Profit for the year	-	-	-	-	-	-	16,132.04	16,132.04
Utilised	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	(919.10)	(919.10)
Other comprehensive income/(Loss) on Remeasurements of post employment benefit obligations (Net of tax)	-	-	-	-	-	(320.73)	-	(320.73)
Other comprehensive income/(Loss) on Effective portion of gains on hedging instrument in cash flow hedges	-	-	-	-	0.57	-	-	0.57
Total comprehensive income for the year	**-**	**-**	**-**	**431.28**	**0.57**	**(320.73)**	**15,212.94**	**15,324.06**
As at 31st March, 2026	**18,161.98**	**191.58**	**92.91**	**644.66**	**-**	**(733.83)**	**45,669.53**	**64,026.81**

Standalone Statement of Changes in Equity for the year ended 31st March, 2026

Nature and purpose of other reserves

1. **Securities premium**
   Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act,2013.

2. **General reserve**
   The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

3. **Capital reserve**
   Capital reserve relates to the balance towards merger of Anmol Trading Company on 1st April, 2001.

4. **Cash flow hedge reserve**
   The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

5. **Retained earnings**
   Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

6. **Share Based Payment Reserve**
   The Company implemented “Shaily Employee Stock Option Plan 2019” (ESOP 2019), as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors (the Committee). For further details refer note 43.

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Shabbir Readymadewala
Partner
Membership No: 100060

Vadodara
19 May 2026

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 1: Corporate Information

Shaily Engineering Plastics Limited ("the Company") is a Public Company, limited by shares, incorporated and domiciled in India under the provisions of Companies Act 1956, applicable in India, with its registered office in Savli, District Vadodara, Gujarat. Its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Company is engaged in the manufacture and sale of customized components made up of plastic and other materials. The Company's manufacturing facilities are at Savli and Halol, Vadodara, Gujarat.

Note 2 - I: Material accounting policies

a) Basis of preparation and measurement

i) Compliance with Ind AS

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (‘Act’) and other relevant provision of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

ii) Basis of measurement

These financial statements have been prepared on the historical cost basis except for defined benefit plans - net defined benefit (asset) / liabilities which have been measured at fair value based on principles of Ind AS 19 -"Employee benefits" and certain financial assets and liabilities are measured at fair value (refer note 29 (b) for list of financial assets and liabilities measured at fair value).

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company adopted Disclosures of Accounting policies (Amendments to Ind As 1) from 1 April 2023, although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Current / Non-current classification:

Based on the time involved 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 for determining current and non-current classification of assets and liabilities in the balance sheet.

b) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company allocates the resources and assess the performance of the Company, thus Chief Operating Decision Maker(“CODM”). The board of directors assesses the financial performance and position of the Company, and makes strategic decisions. Refer Note 32 for segment information.

c) Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in Standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The Standalone financial statements are presented in Indian rupee (₹), which is the company’s functional and presentation currency.

(ii) Transactions and balances

Monetary items denominated in foreign currencies at the year-end are translated into the functional currency at the exchange rate prevailing on the balance sheet date.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Non-monetary items are carried at historical cost using the exchange rates on the date of transaction, other than those measured at fair value. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other incomes/expenses.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs.

d) Revenue and income recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer, depending on individual terms, i.e. at the time of dispatch, delivery or formal customer acceptance depending on agreed terms and at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Similarly for services, revenue is recognised upon completion of performance obligations as agreed with customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Company considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Contract balances:

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company delivers performance obligation under the contract.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Export incentives

Export incentive available under prevalent scheme is accrued in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization of such duty credit.

Dividend

Dividend income is recognised in the standalone statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliable.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

e) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India.

Deferred tax is provided, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

f) Leases

Ind AS 116 – Leases:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using 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.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently remeasured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

g) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h) Cash and cash equivalents

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

i) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows:

Inventory	Cost Formula
Raw materials, components and packing materials	Weighted average cost basis.
Raw material in transit	At Cost to date
Work-in-process and Finished goods	Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Stores and Spares	First in first out.

The Company considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impact the Company's business in determining the allowance for obsolete, non-saleable and slow moving inventories. The Company considers the above factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

j) Financial assets and liabilities

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income (FVTOCI);

c) Financial assets measured at fair value through statement of profit and loss (FVTPL).

Notes forming part of the Standalone Financial statements
as at and for the year ended 31st March, 2026

The Company classifies its financial assets in the above mentioned categories based on:

a) The Company's business model for managing the financial assets;

b) The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost
A financial asset is measured at amortised cost if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets measured at fair value through other comprehensive income (FVTOCI)
A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets; and

b) The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)
FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

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

b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through 'arrangement; and either:

   i) The Company has transferred substantially all the risks and rewards of the asset, or

   ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets
The Company assesses impairment based on expected credit loss (ECL) model to the following:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12 month's expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

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

The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

a) Financial liabilities measured at amortised cost;

b) Financial liabilities subsequently measured at fair value through statement of profit and loss (FVTPL)

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derecognition

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

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

k) Property, plant and equipment

Recognition and measurement

Items of PPE are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of property, plant and equipment as at 1st April, 2016, the company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Capital work-in-progress is stated at cost. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work-in-progress and after commissioning the same is transferred / allocated to the respective item of PPE. Pre-operative costs, being indirect in nature, are expensed to the Statement of Profit and Loss as and when incurred.

Notes forming part of the Standalone Financial statements
as at and for the year ended 31st March, 2026

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

Subsequent expenditure
Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation methods, estimated useful lives and residual value.
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives which are in accordance with Schedule II to the Companies Act, 2013. Depreciation for the year is provided on additions/deductions of the assets during the period from/upto the month in which the asset is added/deducted. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other incomes/expenses. Classes of assets and their estimated useful lives:

Nature	As per schedule II Companies Act, 2013	Useful Life adopted by company
Buildings	30	3-30
Plant and Machinery	8-20	5-15
Tools and Equipment	8-20	5-15
Electrical Installation	10	5-15
Furniture & Fixtures	10	5-15
Office equipment	5	3-15
Computer Hardwares	3-6	3-10
Roads	3-10	3-10
Vehicles	8	8

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. 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 off).

I) Intangible assets

Recognition and measurement
Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated recognised i and any accumulated impairment losses.

Subsequent expenditure
Subsequent expenditure is recognised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

Classes of assets and their estimated useful lives:

Nature	As per schedule II Companies Act, 2013	Useful Life adopted by company
Computer software	3-6	3-5
Copyright & Patents	20	5-15

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

m) Intangible assets under development

The Company expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is recognised as intangible asset.

n) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are recognised. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

a) A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

b) A present obligation arising from the past events, when no reliable estimate is possible;

c) A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Final dividend on shares is 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.

p) Employees Benefits

(i) Short-term obligations

Liabilities for wages and salaries and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Long-term obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service and measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund superannuation fund and national pension scheme

a) Defined benefit plans

The employees' gratuity fund scheme managed by HDFC Standard Life Insurance is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements of net defined benefit liability which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of asset ceiling (if any excluding interest) are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of the contributions and benefit payments.Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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 recognised immediately in profit or loss. The Company recognizes gains and losses on settlement of a defined benefit plan when the settlement occurs.

b) Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds and employee state insurance corporation (ESIC) as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Superannuation Fund Contribution towards superannuation fund for qualifying employees as per the Company's policy is made to Life Insurance Corporation of India where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

National Pension Scheme (NPS)

The company's contribution to National pension Scheme are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

q) Dividend

The Company recognised a liability to pay dividend to equity holders when the distribution is recognised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is recognised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

r) Earnings per share

Basic earning per share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

s) Rounding of amounts

All amounts disclosed in the Standalone financial statements and notes have been rounded off to the nearest lakhs upto two decimals as per the requirement of Schedule III, unless otherwise stated.

t) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Standalone statement of profit and loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

u) Derivative and Hedging Activities

The Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations associated with borrowings (cash flow hedges). When the Company opts to undertake hedge accounting, the Company documents, at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

v) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss on settlement.

When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Statement of Profit and Loss as the hedged item affects profit or loss. When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the Statement of Profit and Loss.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

w) Share capital

The paid-up equity capital of the company as on 31st March, 2026 was INR 919.10 Lacs. The said shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

x) Employee stock option scheme

In respect of stock options granted pursuant to the Company's stock options scheme, the excess of fair value of the option over the exercise price is treated as discount and accounted as employee compensation cost over the vesting period. The amount recognised as expense each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to Profit and Loss account

Note 2 - II: Use of estimates and judgements

1. **Use of estimates :**

   The preparation of Standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results.

   The area involving critical estimates are :

- **Employee benefit plans**

  The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

- **Useful lives and residual value of property, plant and equipment**

  The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in a change in depreciation expense in future periods.

- **Expected Credit Loss**

  In accordance with Ind AS 109, the Company follows 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

- **Income taxes**

  Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

2. Use of judgements :

Management also needs to exercise judgement in applying the Company's accounting policies.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. 1st April, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1st April, 2025 – The amendment relates to classification of liabilities as current or non current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. 1st April, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of

   liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes forming part of the Standalone Financial statements as at and for the year ended 31st March ,2026

Note 3 - Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land (Refer note i)	Buildings	Plant and Machinery	Plant and Machinery - R&D	Electrical Installations	Electrical Installations - R&D	Tools and Equipment	Tools and Equipment - R&D	Furniture and Fixtures	Office Equipment	Computer Hardware	Roads	Vehicles	Total	Capital work-progress
Gross carrying amount as 1st April, 2024	1,880.57	9.20	13,971.93	27,100.99	199.17	2,233.46	3.76	12,057.92	80.95	811.81	262.58	428.24	80.55	590.09	59,711.22	1,532.00
Additions	-	-	563.81	2,333.24	-	670.04	-	2,044.64	-	139.20	46.55	139.05		8.35	5,944.88	6,465.42
Disposals/Capitalisation	-	-	-	-	-	-	-	(3.70)				(7.41)		(24.73)	(35.83)	(6,261.45)
Cost as at 31st March, 2025	**1,880.57**	**9.20**	**14,535.74**	**29,434.22**	**199.17**	**2,903.51**	**3.76**	**14,098.86**	**80.95**	**951.01**	**309.13**	**559.88**	**80.55**	**573.72**	**65,620.26**	**1,735.96**
Accumulated Depreciation as at April 1, 2024	-	-	1,760.01	10,249.32	11.01	909.69	0.33	2,185.92	4.04	254.66	153.72	289.71	51.91	348.46	16,218.79	-
Depreciation for the year	-	-	496.23	1,878.23	-	217.18	-	826.47	-	73.47	36.37	52.15	19.07	69.05	3,668.21	-
Disposals	-	-	-	-	-	-	-		-	-	-	(7.04)		(23.49)	(30.53)	-
Accumulated Depreciation as at 31st March, 2025	-	-	2,256.24	12,127.55	11.01	1,126.87	0.33	3,012.39	4.04	328.13	190.09	334.82	70.98	394.02	19,856.48	-
Net carrying amount as at March 31, 2025	**1,880.57**	**9.20**	**12,279.50**	**17,306.67**	**188.16**	**1,776.64**	**3.43**	**11,086.47**	**76.91**	**622.88**	**119.03**	**225.06**	**9.57**	**179.70**	**45,763.79**	**1,735.96**
Gross carrying amount as 1st April, 2025	1,880.57	9.20	14,535.74	29,434.22	199.17	2,903.51	3.76	14,098.86	80.95	951.01	309.13	559.88	80.55	573.72	65,620.26	1,735.96
Additions	-	-	428.15	6,945.71		1,975.69		5,583.23		224.41	2.81	245.34	-	195.81	15,601.16	16,890.26
Disposals/Capitalisation	-	-	-	(569.71)	-	-	-	-	-	-	-	(107.07)	-	(21.08)	(697.86)	(15,745.96)
Cost as at 31st March, 2026	**1,880.57**	**9.20**	**14,963.89**	**35,810.22**	**199.17**	**4,879.20**	**3.76**	**19,682.09**	**80.95**	**1,175.42**	**311.94**	**698.15**	**80.55**	**748.45**	**80,523.56**	**2,880.26**
Accumulated Depreciation as at April 1, 2025	-	-	2,256.24	12,127.55	11.01	1,126.87	0.33	3,012.39	4.04	328.13	190.09	334.82	70.98	394.02	19,856.48	-
Depreciation for the year	-	-	546.70	1,998.15	-	286.30	-	1,047.43	-	85.72	36.94	76.15	5.30	78.41	4,161.11	-
Disposals	-	-	-	(541.22)	-	-	-	-	-	-	-	(101.72)	-	(20.03)	(662.97)	-
Accumulated Depreciation as at 31st March, 2026	**-**	**-**	**2,802.94**	**13,584.48**	**11.01**	**1,413.17**	**0.33**	**4,059.82**	**4.04**	**413.85**	**227.03**	**309.25**	**76.28**	**452.40**	**23,354.62**	**-**
Net carrying amount as at 31st March, 2026	**1,880.57**	**9.20**	**12,160.95**	**22,225.74**	**188.16**	**3,466.03**	**3.43**	**15,622.27**	**76.91**	**761.57**	**84.91**	**388.90**	**4.27**	**296.05**	**57,168.94**	**2,880.26**

Notes:

(i) The company has acquired land for 99 years lease with an option to continue for another 99 years.

(ii) Refer note 38 for assets pledged as security.

(iii) Refer note 35 for disclosure of contractual obligations for acquisition of plant, property and equipment.

(iv) Capital Work in progress for the year ended 31st March, 2026 and 31st March, 2025 includes mainly plant & machinery, tools and equipments, building, electrification and preoperative expenses for New business projects expansion.

(v) The title deeds of all the immovable properties (other than properties where the company is the lessee and lease agreements are duly executed in favour of the lessee), are held in the name of the company.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 3A - Capital-Work-in Progress (CWIP) ageing for the year ended:

As at 31st March, 2026 :

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	2,866.90	13.36	-	-	2,880.26
Projects temporarily suspended	-	-	-	-	-
Total	**2,866.90**	**13.36**	**-**	**-**	**2,880.26**

As on 31st March, 2025:

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,735.96	-	-	-	1,735.96
Projects temporarily suspended	-	-	-	-	-
Total	**1,735.96**	**-**	**-**	**-**	**1,735.96**

Note :

The projects mentioned above are expected to be completed as per plan and there are no projects which are overdue or has exceeded its cost compared to its original plan.

Note 3B - Right-of-use assets

(₹ in Lakhs)

	Buildings	Total
Gross carrying amount as at 1st April, 2024	179.57	179.57
Additions during the year	22.02	22.02
Deductions / Adjustments during the year	-	-
Gross carrying amount as at 31st March, 2025	**201.59**	**201.59**
Accumulated depreciation as at 1st April, 2024	115.69	115.69
Depreciation for the year	37.20	37.20
Deductions during the year	-	-
Accumulated depreciation as at 31st March, 2025	**152.89**	**152.89**
Net carrying amount as at 31st March, 2025	**48.70**	**48.70**
Gross carrying amount as at 1st April, 2025	201.59	201.59
Additions during the year	110.66	110.66
Deductions / Adjustments during the year	18.83	18.83
Gross carrying amount as at 31st March, 2026	**293.42**	**293.42**
Accumulated depreciation as at 1st April, 2025	152.89	152.89
Depreciation for the year	24.37	24.37
Deductions during the year	-	-
Accumulated depreciation as at 31st March, 2026	**177.26**	**177.26**
Net carrying amount as at 31st March, 2026	**116.16**	**116.16**

(i) Lease contracts entered by the Company majorly pertains for building taken on lease to conduct its business in the ordinary course.

(ii) Lease expenses of ₹ 243.63 Lakhs and ₹ 57.78 lakhs recognised in statement of profit and loss in other expenses for the year ended 31-Mar-2026 and 31-Mar-2025 respectively towards short-term leases, lease of low value assets and variable lease rental not included in measurement of lease liability.

(iii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Company's operations.

(iv) Lease obligations, interest expense on lease, maturity profile of lease obligation and payment of lease obligations are disclosed respectively in Balance Sheet, Finance cost.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 4 - Intangible assets

(₹ in Lakhs)

Particulars	Copyright & Patents	Computer Software	Computer Software (R&D)	Total (A)	Intangible under development (B)	Total (A+B)
Gross carrying amount as 1st April, 2024	1,972.44	432.93	28.92	2,434.29	207.96	2,642.26
Additions	290.26	135.40	-	425.66	250.01	675.67
Capitalisation	-	-	-	-	(425.66)	(425.66)
Cost as at 31st March, 2025	**2,262.70**	**568.33**	**28.92**	**2,859.96**	**32.31**	**2,892.27**
Accumulated Depreciation as at 1st April, 2024	363.76	347.80	8.10	719.66	-	719.66
Amortisation charge for the year	204.07	32.01	-	236.08	-	236.08
Accumulated Depreciation as at 31st March, 2025	**567.82**	**379.82**	**8.10**	**955.74**	**-**	**955.74**
Net carrying amount as at 31st March, 2025	1,694.88	188.51	20.82	1,904.20	32.31	1,936.53
Gross carrying amount as 1st April, 2025	**2,262.70**	**568.33**	**28.92**	**2,859.96**	**32.31**	**2,892.27**
Additions	81.61	147.72	-	229.33	266.74	496.07
Capitalisation	-	-	-	-	(229.33)	(229.33)
Cost as at 31st March, 2026	**2,344.31**	**716.05**	**28.92**	**3,089.28**	**69.72**	**3,159.01**
Accumulated Depreciation as at 1st April, 2025	567.82	379.82	8.10	955.74	-	955.74
Amortisation charge for the yaer	282.66	68.49	-	351.16	-	351.16
Accumulated Depreciation as at 31st March, 2026	**850.48**	**448.31**	**8.10**	**1,306.90**	**-**	**1,306.90**
Net carrying amount as at 31st March, 2026	**1,493.82**	**267.73**	**20.82**	**1,782.39**	**69.72**	**1,852.11**

Note 4A - Intangible Assets under Development (IAUD) ageing Schedule for the year ended:

As at 31st March, 2026 :

(₹ in Lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	69.72	-	-	-	69.72
Projects temporarily suspended	-	-	-	-	-
Total	**69.72**	**-**	**-**	**-**	**69.72**

As on 31st March 2025:

(₹ in Lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	28.75	3.56	-	-	32.31
Projects temporarily suspended	-	-	-	-	-
Total	**28.75**	**3.56**	**-**	**-**	**32.31**

Note :

The projects mentioned above are expected to be completed as per plan and there are no projects which are overdue or has exceeded its cost compared to its original plan.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 5 - Non-current investments

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in Equity Instrument in Subisidiary at cost, unquoted		
2,00,000 (31st March, 2025: 2,00,000) Equity shares of Shaily Innovations Ltd (Previously known as Shaily UK Limited), fully paid up of 1 GBP Each.	205.07	205.07
1,00,000 (31st March, 2025: NIL) Equity shares of Shaily Innovations FZCO, fully paid up of 1 AED Each.	23.38	-
Investment in equity instruments (fully paid-up) at FVOCI (Unquoted)		
1,19,000 (31st March, 2025: 1,19,000) Shares of Panax Appliances Pvt Ltd fully paid up (PY : 119,000) Equity Shares of ₹ 10/- each	11.90	11.90
Less : Impairment allowances for investment	(11.90)	(11.90)
325 Shares of The Citizen Co-Operative Credit Society Ltd, fully paid up (31st March, 2025: 325) Equity shares of ₹ 25 each	0.08	0.08
Total Investment in Equity	**228.53**	**205.15**
Investment in Preference Share in Subisidiary at Cost, unquoted		
Class B 900,000 (31st March, 2025: 900,000) 8% non convertible preference shares of Shaily UK Limited, fully paid up preference Shares of 1 GBP Each	920.08	920.08
Investment in Preference shares (fully paid up) at amortised cost (Unquoted)		
871000 6 % Cummulative Redeemable Preference Shares of ₹ 4/- each of Panax Appliances Pvt Ltd fully paid up (31st March, 2025 : 871,000 at ₹ 4/- each)	27.04	27.04
Less : Impairment allowances for investment	(27.04)	(27.04)
Total investment in preference shares	**920.08**	**920.08**
Total investments	**1,148.61**	**1,125.23**
Aggregate amount of unquoted investments	1,187.55	1,164.18
Aggregate amount of Impairment in value of investment	38.94	38.94

Note 6 - Other financial assets

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-current		
Unsecured considered good		
Security deposits	48.99	47.74
Total non-current	**48.99**	**47.74**
Current		
Unsecured considered good		
Other financial assets	23.08	15.38
Derivative asset	-	16.16
Total current	**23.08**	**31.54**

Notes forming part of the Standalone Financial statements
as at and for the year ended 31st March, 2026

Note 7 - Other assets
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-current		
Unsecured considered good		
Capital advances	4,115.65	2,328.81
Less : Provision for advances	(60.91)	(86.00)
Prepaid expenses	12.58	19.34
Balances with government authorities	127.80	127.80
Total Non-Current	**4,195.12**	**2,389.95**
Current		
Unsecured considered good		
Prepaid expenses	380.85	258.40
Advance to suppliers	650.61	756.48
Less : Provision for advances	(121.51)	(100.18)
Reimbursement of expense	26.79	26.79
Pre-spent CSR	6.60	8.50
Advance to employees	49.26	53.05
Balances with government authorities	3,537.71	3,365.16
Total Current	**4,530.32**	**4,368.20**

Advance to suppliers & reimbursement of expense includes receivable from related parties of ₹ 9.5 lakhs & ₹ 26.79 lakhs respectively (PY ₹ 9.5 lakhs & ₹ 26.79 lakhs respectively) refer note 33

(₹ in Lakh)

Movement of Provision for advances (including capital advances)	As at 31st March, 2026	As at 31st March, 2025
Opening balance	(186.18)	(195.00)
(Addition) / Reversal during the year	3.76	8.82
Closing balance	**(182.42)**	**(186.18)**

Note 8 - Inventories (Valued at lower of cost and net realisable value)
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Raw materials and components	7,201.36	7,499.01
(Goods in transit ₹ 488.44 lakhs 31st March, 2026, ₹ 2,494.69 lakhs 31st March, 2025)		
Work-in-progress	3,038.74	2,095.70
Finished goods	2,847.89	2,814.62
Stores and spares	1,595.89	988.08
Packing materials	394.42	378.22
Total	**15,078.30**	**13,775.64**

The Company follows suitable provisioning norms for writing down the value of inventories towards slow moving and non moving inventory. Provision for the slow moving and non moving inventories created during the year is ₹ 183.76 lakhs (PY ₹ 200 Lakhs).

Refer note 38 for assets pledged as security.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 9 - Trade receivables

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivable considered good - unsecured*	18,559.51	14,965.60
Trade Receivable - Credit impaired	134.85	339.06
Less : Allowance for expected credit loss	(509.90)	(492.24)
Total	**18,184.46**	**14,812.42**

*Trade receivables includes receivable from related parties of NIL (PY ₹ 11.96 lakhs) refer note 33

Refer note 38 for assets pledged as security.

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening balace	(492.24)	(600.23)
(Addition) / Reversal during the year	(17.66)	107.98
Closing balance	**(509.90)**	**(492.24)**

(i) Trade Receivable ageing schedule for the year ended:

As at 31st March, 2026 :

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered good	13,376.37	5,106.46	76.68	-	-	-	18,559.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	62.31	25.34	47.20	-	134.85
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	**13,376.37**	**5,106.46**	**138.99**	**25.34**	**47.20**	**-**	**18,694.36**

As at 31st March, 2025 :

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered good	11,529.99	3,402.54	33.07	-	-	-	14,965.60
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	274.96	27.74	36.36	-	339.06
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	**11,530.00**	**3,402.54**	**308.03**	**27.74**	**36.36**	**-**	**15,304.66**

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 10 - Cash and cash equivalents

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Balances with banks		
In current accounts	209.24	0.21
In EEFC accounts	85.58	437.44
b) Cash on Hand	4.15	3.17
Total	**298.97**	**440.82**

Note 11 - Bank balances other than cash and cash equivalents

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
In earmarked accounts		
Unpaid dividend accounts	17.39	1.22
Balances held as margin money (less than 12 months but more than 3 months maturity)*	420.57	404.21
Total	**437.96**	**405.42**

* Balance held as margin money are pertaining to deposits marked as lien against letter of credit and bank guarantee.

Note 12 - Loans

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current		
Loan to Employees - (Unsecured, considered good)	39.59	34.28
Intercorporate Deposit - (Unsecured, considered good)		
Loan to Shaily Innovations FZCO* (refer note 33 and 39)	977.34	-
Total	**1,016.94**	**34.28**

*Above loan is given for the purpose of working capital and capital expenditure.

Note 13 (a) - Share capital

The authorised, issued, subscribed and fully paid-up share capital comprises of the following:

(₹ in Lakh)

(i) Authorised share capital	Number of shares	Amount
As at 31st March, 2026 (Equity shares of ₹ 2 each)	8,00,00,000	1,600.00
As at 31st March, 2025 (Equity shares of ₹ 2 each)	8,00,00,000	1,600.00

(₹ in Lakh)

(ii) Issued,Subscribed and fully paid up	Number of shares	Amount
As at 31st March, 2026 (Equity shares of ₹ 2 each)	4,59,55,093	919.10
As at 31st March, 2025 (Equity shares of ₹ 2 each)	4,59,55,093	919.10

(iii) Reconciliation of number of shares

(₹ in Lakh)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares				
Opening balance	4,59,55,093	919.10	4,58,67,510	917.35
New shares issues (ESOP)	-	-	87,583	1.75
Closing balance	**4,59,55,093**	**919.10**	**4,59,55,093**	**919.10**

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(iv) Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of ₹ 2 each. Each holder of Equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company.

The distribution will be in proportion to the number of equity shares held by the shareholders.

(v) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of shares	% Holding	Number of shares	% Holding
Mahendra Sanghvi	33,31,675	7.25%	33,31,675	7.25%
Tilottama Sanghvi	64,38,575	14.01%	64,38,575	14.01%
Laxman Sanghvi	23,32,120	5.07%	23,82,120	5.18%
Jayessh Shah	38,11,155	8.29%	38,11,155	8.29%
Lighthouse India Fund III, Limited	-	0.00%	25,35,990	5.52%
Smallcap World Fund, Inc	34,12,855	7.43%	-	0.00%
Motilal Oswal Small Cap Fund	21,10,875	4.59%	42,58,492	9.27%

(v) Details of shareholders holding more than 5% shares in the Company

Promoter name	As at 31st March, 2026		As at 31st March, 2025		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Mahendra Sanghvi	33,31,675	7.25%	33,31,675	7.25%	0.00%
Laxman Sanghvi	23,32,120	5.07%	23,82,120	5.18%	-0.11%
Tilottama Sanghvi	64,38,575	14.01%	64,38,575	14.01%	0.00%
Amit Sanghvi	12,03,290	2.62%	13,03,290	2.84%	-0.22%
Jayessh Shah	38,11,155	8.29%	38,11,155	8.29%	0.00%
Kalpana Sanghvi	3,76,500	0.82%	3,76,500	0.82%	0.00%
Ramesh Shah	55,735	0.12%	55,735	0.12%	0.00%
Purnima Shah	50,040	0.11%	50,040	0.11%	0.00%
Lax Nagda	10,43,510	2.27%	10,43,510	2.27%	0.00%
Shaily Sanghvi	13,00,000	2.83%	13,00,000	2.83%	0.00%
Total	**1,99,42,600**	**43.40%**	**2,00,92,600**	**43.72%**	

(vii) No equity shares are issued as bonus shares or for consideration other than cash or have been bought back in previous five financial years

(viii) Shares reserved for issuance under stock option plan of the company "Shaily Employee Stock Option Plan 2019" (ESOP 2019)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Shaily Employee Stock Option Plan 2019" (ESOP 2019)	5,83,006	11.66	6,70,589	13.41
Equity shares issued under stock option plan	-	-	87,583	1.75
Shares reserved at year end	**5,83,006**	**11.66**	**5,83,006**	**11.66**

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 13 (b) - Other Equity

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Securities premium		
Opening balance	18,161.98	18,088.52
Addition During the Year	-	73.46
Closing balance	**18,161.98**	**18,161.98**
(b) Capital reserve		
Opening balance	92.91	92.91
Closing balance	**92.91**	**92.91**
(c) General reserve		
Opening balance	191.58	191.58
Closing balance	**191.58**	**191.58**
(d) Share based payment reserve		
Opening balance	213.38	109.71
Addition during the year	431.28	177.13
Utilised	-	(73.46)
Closing balance	**644.66**	**213.38**
(e) Cash flow hedge reserve		
Opening balance	(0.57)	(6.18)
Addition during the year	0.57	5.61
Closing balance	**-**	**(0.57)**
(f) Retained earnings		
Opening balance	30,043.47	23,754.35
Profit for the year	16,132.04	7,091.01
Dividend paid	(919.10)	(343.22)
Item of other comprehensive income	(320.73)	(458.68)
Closing balance	**44,935.68**	**30,043.47**
Total	**64,026.81**	**48,702.75**

The Board of Directors in their meeting held on May 19, 2026 recommended a final dividend of ₹ 3 per equity share for the financial year ended March 31, 2026. The payment is subject to the approval of shareholders in the AGM of the Company and if approved, would result in a net cash outflow of approximately ₹ 1,378.65 Lakhs.

For details of nature and purpose of each reserve, please refer Statement of changes in equity.

Note 14 - Non-Current borrowings

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
Term loans:		
Rupee currency from banks	2,734.56	4,005.86
Total	**2,734.56**	**4,005.86**

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(₹ in Lakh)

	Maturity and terms of repayment	Coupon Rate	As at 31st March, 2026	As at 31st March, 2025
Term loans				
Rupee Currency		8.70% to 9.15% PY 9.14% to 9.45%	4,014.04	6,859.13
HDFC Term loan	TL-3 Quarterly installment of ₹ 166.67 lakhs till Jan 2025 TL-4 Quarterly installment of ₹ 111.11 lakhs from Apr 2021 till Jul 2025 TL New - Quarterly installment of ₹ 83.31 lakhs from Apr 2021 till Jul 2025 GECL WCDL Loan - Monthly installment of ₹ 30.94 lakhs from Apr 2022 till Mar 2026 TL New - Quarterly installment of ₹ 274.44 lakhs from Apr 2025 till Aug 2029			
State Bank of India	TL-2 Quarterly installment of ₹ 190 lakhs from Dec 2021 to Mar 2022, remaining quarterly installments of ₹195 lakhs from Jun 2022 to Mar 2026 TL 8 Cr - Quarterly installment of ₹ 40 lakhs from Mar 2022 till Dec 2026 GECL WCDL Loan - Monthly installment of ₹ 12.34 lakhs from April 2023 till Sep 2026			
Foreign Currency				
Standard Chartered Bank	ECB-1 Quarterly installment of Euro 1.25 lakhs From May 2021 till Feb 2025 ECB-2 Quarterly installment of Euro 1.56 lakhs from Aug 2021 till May 2025"	3 months EURIBOR + 3% March 31, 2025: 3 months EURIBOR + 3%	-	144.26
Total long-term borrowings			**4,014.04**	**7,003.39**
Less: Current maturities of long-term borrowings (included in note 15)			(1,279.48)	(2,997.53)
Total non-current borrowings			**2,734.56**	**4,005.86**

Security

Term loans from banks are secured by first pari passu charge over entire property, plant and equipments of the Company and second pari passu charge over entire current assets of the company

Foreign Currency Loan from Bank is secured by first pari passu charge with existing term lender over entire property, plant and equipment of the Company and second pari passu charge on all the current assets with all existing working capital lenders.

Also refer to Note No. 38 for further details.

Note 15 - Current borrowings

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loans repayable on demand (Secured)		
From banks		
Cash credit /Packing credit	12,201.66	10,816.49
Current maturities of long-term borrowing (Refer note 14) (Including interest accrued ₹ 91.09 lakhs and in previous year ₹ 85.65 lakhs)	1,370.58	3,083.18
Bill discounting	1,096.53	862.16
Total	**14,668.77**	**14,761.83**

Cash credit /Packing credit and bill discounting facilities from banks are secured by hypothecation of all current assets of the Company, present and future, such as inventories,receivables, loans and advances, etc. Cash credit /Packing credit and bill discounting are further secured by second pari passu charges over entire property, plant and equipments of the Company.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 38.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 16 - Provisions

Employee Benefit Provisions

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-Current		
Provision for compensated absences	499.37	393.90
Total Non-Current	**499.37**	**393.90**
Current		
Provision for Gratuity	631.58	527.62
Provision for compensated absences	258.93	181.02
Total Current	**890.51**	**708.64**

Defined contribution plans

The Company makes Provident Fund and Superannuation Fund Contributions to defined contribution plans for qualifying employees. The Provident fund plan is operated by the Regional provident fund Commissioner. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary (i.e @12% is employer's contribution and @12% employee's contribution) as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company recognised for year ended 31st March, 2026 ₹ 729.6 lakhs (Year ended 31st March 2025 ₹ 483.19 lakhs) for Provident Fund contributions, contribution towards Employee State Insurance scheme and other funds in the Statement of Profit and Loss.

Defined benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.

Other long term benefits

Compensated absences

Provision for compensated absences covers the liability for sick and earned leave. Compensated absences that are not expected to occur within twelve months after the end of the period in which the employee renders the related services are measured at the present value of expected future payments to be made in respect of such services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The amount recognised towards compensated absenses in statement of Profit and Loss during the year is ₹ 299.51 lakhs (Previous Year ₹ 348.13 lakhs)

Valuations of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) **Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

(ii) **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(iv) **Investment Risk :** The Company has funded with HDFC Insurance fund, therefore there is no significant Investment risk.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Gratuity

(₹ in Lakh)

Particulars	As at 31st March, 2026 Gratuity (Funded)	As at 31st March, 2025 Gratuity (Funded)
(i) Change in defined benefit obligation		
Balance at the beginning of the year	1,552.25	959.38
Adjustment of:		
Current Service Cost	104.09	60.32
Past Service Cost	89.77	-
Interest Cost	81.93	59.50
Actuarial (gains) losses recognised in Other Comprehensive Income:		
- Change in Financial Assumptions	-	182.46
- Change in Demographic Assumptions	3.54	-
- Experience Changes	410.15	318.98
Benefits Paid	(20.73)	(28.38)
Balance at the end of the year	**2,221.00**	**1,552.25**
(ii) Change in fair value of assets		
Balance at the beginning of the year	527.62	959.38
Re-measurements due to:		
Actual Return on plan excluding amounts included in interest income	(14.93)	42.77
Interest income	49.99	50.86
Contribution by the employer	1,047.46	-
Benefits Paid	(20.73)	(28.38)
Balance at the end of the year	**1,589.42**	**1,024.63**
(iii) Net asset / (liability) recognised in the Balance sheet		
Present value of defined benefit obligation	2,221.00	1,552.25
Fair value of plan assets	(1,589.42)	(1,024.63)
Net (asset) / liability in the Balance sheet	**631.58**	**527.62**
(iv) Expenses recognised in the statement of Profit and loss		
Current service cost	104.09	60.32
Past Service Cost *	89.77	-
Interest cost	31.94	8.63
Total expense charged to statement of Profit and loss	**225.80**	**68.95**
(v) Re-measurements recognised in other comprehensive Income (OCI):		
Changes in financial assumptions	-	182.46
Changes in demographic assumptions	3.54	-
Experience adjustments	410.15	318.98
Actual return on plan assets less interest on plan assets	14.93	(42.77)
Amount recognised in other comprehensive Income (OCI)	**428.61**	**458.67**

*Past service is due to the change in salary components implemented in line with the new labour code

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value of funded obligations	2,221.00	1,552.25
Fair value of plan assets	(1,589.42)	(1,024.63)
(Surplus) of funded plan	631.58	527.62
Unfunded plan	-	-
(Surplus) of Gratuity plan	**631.58**	**527.62**

Gratuity

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Insurer managed funds (funded with HDFC Insurance fund)	(1,589.42)	(1,024.63)
Total	**(1,589.42)**	**(1,024.63)**

Major category of plan assets as a % of plan assets :

Particulars	As at 31st March, 2026	As at 31st March, 2025
Debentures/Bonds	56.60%	31.60%
Govt Securities	38.42%	65.93%
Deposits , Money Market Securities and Net Current Assets	4.98%	2.47%
Total	**100.00%**	**100.00%**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Gratuity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate	7.15%	6.65%
Salary escalation rate	7.00%	6.50%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

The Expected contribution for the next year in ₹ 133.01 lacs.

Weighted average duration of Defined Benefit Obligation as at valuation date is 5.82 years (for PY 6.76 years).

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakh)

Particulars	Change in assumption		Impact on defined benefit obligation Increase /(decrease) in assumption	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Discount rate	+/ -0.5%	+/ -0.5%	(56.02) / 60.12	(45.68) / 49.04
Salary escalation rate	+/ -0.5%	+/ -0.5%	63.56 / (59.63)	52.25 / (49.00)
Withdrawal Rate	+/ -10%	+/ -10%	(3.92) / 4.82	(4.30) / 4.98

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Maturity Analysis

(₹ in Lakh)

	Year 1	Year 2	Year 3-5	Year 6-10
31st March, 2026				
Defined Benefit Obligation	1,084.47	81.43	300.47	584.03
31st March, 2025				
Defined Benefit Obligation	640.36	53.85	211.40	471.61

Compensated absences

The summary of the assumptions used in the valuations is given below:

Financial Assumptions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount Rate (p.a)	7.15%	6.65%
Salary Growth Rate (p.a)	7.00%	6.50%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

Leave Availment & Encashment Rate

Particulars	As at 31st March, 2026	As at 31st March, 2025
Leave Availment Rate (p.a.)	1.00%	1.00%
Encashment in service (p.a.)	0.00%	0.00%

Note 17 - Other liabilities

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-Current		
Deferred income	4.54	6.34
Total Non-Current	**4.54**	**6.34**
Current		
Advance from customers	9,142.88	3,537.28
Deferred income	1.80	1.80
Statutory dues	207.34	225.67
Total Current	**9,352.02**	**3,764.75**

Note 18 - Trade payables

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) total outstanding dues of micro enterprises and small enterprises	1,919.76	1,594.88
(b) total outstanding dues of creditors other than micro enterprises and small enterprises *	6,518.08	8,192.64
Total	**8,437.84**	**9,787.52**

*Trade payables includes payable to related parties of ₹ 21.35 lakhs (PY ₹ 20.66 lakhs) refer note 33

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(i) Trade Payable ageing schedule for the year ended:

As at 31st March, 2026 :

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1251.18	656.00	7.71	-	4.87	1,919.76
(ii) Others**	4111.17	2310.70	18.41	0.03	77.77	6,518.08
Total	**5,362.35**	**2,966.70**	**26.12**	**0.03**	**82.64**	**8,437.84**

As at 31st March, 2025 :

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,390.88	195.00	4.00	5.00	-	1,594.88
(ii) Others**	6,402.64	1,602.00	107.00	5.00	76.00	8,192.64
Total	**7,793.52**	**1,797.00**	**111.00**	**10.00**	**76.00**	**9,787.52**

** This also includes accruals

Supplier financing related details :

The Company participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from a bank. Under the arrangement, the bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Company and the Company repays the bank at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and provide the willing suppliers early payment terms, compared with the related invoice payment due date.

The Company has not derecognised the original trade payables relating to the arrangement because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement.

From the Company's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide participating suppliers with the benefit of early payment. Additionally, the Company does not incur any additional interest towards the bank on the amounts due to the suppliers. The Company therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables.

All payables under the arrangement are classified as current as at 31st March, 2026 and 2025. Additional information about the Company's trade payables is provided in the table below.

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025#
Carrying amount of financial liabilities subject to supplier finance arrangement		
Presented within trade payables	141.42	
- of which suppliers have received the payment from the bank	-	
Range of payment due dates	30-120 days	
Comparable trade payables (days after invoice date)	30-110 days	

The Company applied transitional relief available under Supplier Finance Arrangements (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative information in the first year of adoption)

Non cash changes :

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements. The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Group and their principal nature remains operating—i.e., payments for the purchase of goods and services. The payments to a supplier by the bank of ₹ NIL are considered non-cash transactions.

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the company and relied by the auditors.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Financial Assumptions

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2,260.66	1,764.25
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	8.66	6.96
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	21,811.95	11,247.80
- Amount of principal payments made to the supplier beyond the appointed day	21,811.95	11,247.80
- Amount of interest payments made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	49.29	49.00
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	57.95	55.96
(vi) The amount of further interest due and payable even in the succeeding year, 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	228.28	170.33

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

Note 19 - Other financial liabilities

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current		
Unpaid dividends	17.39	1.22
Capital creditors	1,449.49	590.11
Trade/Security deposit received	1.80	0.79
Accrued expense	-	8.98
Employee liabilities	751.30	651.25
Deferred premium on derivative instrument	-	1.45
Derivative liability	-	0.75
Total Current	**2,219.98**	**1,254.54**

Capital creditors includes total outstanding dues of micro enterprises and small enterprises of ₹ 340.90 lakhs (PY ₹ 169.37 lakhs)

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 20 - Revenue from operations

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Sale of products	89,418.30	72,657.34
Sale of services	1,718.21	708.24
Other operating revenue		
Sale of scrap	156.56	150.24
Export incentives	368.37	293.33
Others	458.37	2.79
Total other operating revenue	983.30	446.36
Total	**92,119.81**	**73,811.93**

Note 21 - Other income

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest Income on deposits	56.37	66.82
Profit on sale of Asset	3.72	5.29
Net gain on foreign currency transactions	629.91	93.26
Interest component on account of Fair valuation of loan*	21.29	61.18
Dividend income	979.19	511.58
Other non-operating income	98.01	4.99
Total	**1,788.49**	**743.12**

*Interest income is recognised using effective interest rate.

Note 22(a) - Cost of material consumed

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Opening stock	7,877.23	4,221.57
Add:Purchases	42,460.71	46,615.27
Less :Closing stock	(7,595.79)	(7,877.23)
Total	**42,742.15**	**42,959.61**

Note 22(b) - Changes in inventories of finished goods and work in progress

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Inventories at the end of the year		
Finished goods	2,847.89	2,814.62
Work in progress	3,038.74	2,095.70
	5,886.63	**4,910.32**
Inventories at the beginning of the year		
Finished goods.	2,814.62	1,771.24
Work in progress.	2,095.70	1,752.19
	4,910.32	**3,523.43**
Net (increase) /decrease	**(976.31)**	**(1,386.89)**

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 23 - Employee benefit expenses

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Salaries, wages and bonus	7,724.04	6,445.61
Contributions to provident and other funds	729.60	483.19
Staff welfare expenses	457.20	353.12
Total	**8,910.84**	**7,281.92**

Note 24 - Finance costs

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest expense on:		
Borrowings	1,507.95	1,550.81
Interest component on account of Fair valuation of loan*	6.35	48.49
Interest expense on lease	1.84	6.05
Others	61.36	89.27
Total	**1,577.50**	**1,694.62**

*Interest expense is recognised using effective interest rate.

Note 25 - Depreciation and amortisation expense

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Depreciation of property, plant and equipment	4,161.11	3,668.21
Amortisation of intangible assets	351.16	236.08
Depreciation on right to use assets	24.37	37.20
Total	**4,536.64**	**3,941.50**

Note 26 - Other expenses

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Stores and spares consumed	2,182.91	735.70
Subcontracting and labour charges	3,538.63	2,439.24
Repairs & maintenance		
- Building	136.87	92.68
- Plant & Machinery	567.86	388.44
- Others	154.27	181.92
Rent (Refer note 28)	243.63	57.78
Rates and taxes	157.42	150.18
Insurance	284.71	236.30
Conveyance expense	66.26	50.13
Postage and telephone expense	61.95	52.30
Printing and stationery	201.68	163.97
Vehicle expense	93.20	108.08
Legal and professional	740.74	244.42

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 26 - Other expenses

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Directors' sitting fees	39.00	41.50
Sales commission and Fees	265.36	261.07
Payments to auditors (Refer Note (i) below)	52.25	40.17
Travelling expense	736.82	484.94
Carriage outwards	1,295.76	495.30
Advertisement	38.34	175.55
Corporate social responsibility (Refer note (ii) below)	116.04	90.10
Royalty	690.79	73.30
Expected credit loss allowance	17.66	(107.98)
Testing fees	380.13	182.84
Bank charges	99.87	88.99
House Keeping Expense	186.36	161.02
Provision for advances (refer note 7)	(3.76)	(8.82)
Miscellaneous expenses	301.83	578.12
Total	**12,646.58**	**7,457.24**

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
(i) Details of payment to auditors		
As auditors		
(A) Statutory Audit	21.75	19.25
(B) Limited Review	18.75	14.25
(C) Tax Audit	1.50	1.50
Reimbursement for expenses	10.25	5.17
Total	**52.25**	**40.17**
(ii) Corporate Social Responsibility		
Corporate Social Responsibility (CSR) expenses for the period	116.04	90.10
Gross amount required to be spent by the Company during the year	116.04	90.10
Amount approved by the Board to be spent	116.04	90.10
Amount spent during the year on	122.64	98.60
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	122.64	98.60
	122.64	**98.60**
Provision For CSR expenses for ongoing projects		
Opening Balance	-	52.43
Add-Provision Created during the year	-	-
Less-Provision Utilised during the year	-	-
Less - Opening transferred to special bank account as required*	-	(52.43)
Closing Balance	-	-

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
The amount of shortfall/(excess) at the end of the year out of the amount required to be spent/set off by the company during the year for ongoing project* (refer note 7)	(6.60)	(8.50)
The total of previous year's shortfall amount	-	
The nature of CSR activites undertake by the Company	Contribution to charitable trust, education, healthcare / sanitaion / cleanliness and women empowerment	

Note 27 - Taxation

27 (a) - Income tax expense

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Current tax		
Tax expense for current year	4,141.58	2,038.94
Total current tax expense	**4,141.58**	**2,038.94**
Deferred tax		
Defered tax (benefit) / expense pertaining to current year	911.90	335.86
Total deferred tax expense/(benefit)	911.90	335.86
Total income tax expense recognised in current year	**5,053.48**	**2,374.80**

Income Tax Recognised in other comprehensive Income

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Deferred Tax on items recognised in other comprehensive Income		
- Remeasurements of post employment benefit obligations - Items that will not be reclassified to profit or loss	107.88	115.45
- Effective portion of gains on hedging instrument in cash flow hedges - Items that will be reclassified to profit or loss	(0.19)	(1.89)
Total current tax expense	**107.69**	**113.56**

27 (b) - Reconciliation of Estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Profit for the period	21,185.52	9,465.81
Statutory tax rate applicable to Shaily Engineering Plastics Limited	25.17%	25.17%
Tax expense at applicable tax rate	**5,332.40**	**2,382.54**
Tax effects of following in calculating taxable income:		
Additional deduction claimed under Income tax Act, 1961	(246.46)	(115.45)
Expenses not allowed as per Income tax Act, 1961	46.14	37.84
Others	(78.58)	69.87
Income tax expense	**5,053.48**	**2,374.80**
Effective tax rate	**23.85%**	**25.09%**

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

27 (c) - Deferred tax liabilities

The balance comprises temporary differences attributable to:

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred tax liabilities:		
Difference between accounting and tax written down value of PPE & Intangible assets	4,031.46	3,151.39
Other timing differences	-	-
Total deferred tax liabilities	**4,031.46**	**3,151.39**
Deferred tax assets:		
Adjustment on account of provision for expected credit loss, inventory and advances	260.78	329.31
Other timing differences	702.69	558.11
Total deferred tax assets	**963.47**	**887.42**
Net deferred tax liabilities	**3,067.99**	**2,263.97**

Movement in deferred tax balances

(₹ in Lakh)

Particulars	As at 31st March, 2025	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehesive income	Adjustment	As at 31st March, 2026
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	3,151.39	880.07	-	-	4,031.46
Other timing difference	-	-	-	-	-
Total deferred tax liabilities	**3,151.39**	**880.07**	**-**	**-**	**4,031.46**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	329.31	(68.53)	-	-	260.78
Other timing differences	558.12	36.70	107.69	-	702.51
Total deferred tax assets	**887.43**	**(31.83)**	**107.69**	**-**	**963.29**
Net deferred tax liabilities	**2,263.97**	**911.90**	**(107.69)**	**-**	**3,067.99**

(₹ in Lakh)

Particulars	As at 31st March, 2024	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehesive income	Adjustment	As at 31st March, 2025
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	2,664.03	487.36	-	-	3,151.39
Other timing difference	10.74	(10.74)	-	-	-
Total deferred tax liabilities	**2,674.77**	**476.62**	**-**	**-**	**3,151.39**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	308.39	20.92	-	-	329.31
Other timing differences	324.71	119.85	113.56	-	558.12
Total deferred tax assets	**633.10**	**140.77**	**113.56**	**-**	**887.43**
Net deferred tax liabilities	**2,041.67**	**335.86**	**(113.56)**	**-**	**2,263.97**

(₹ in Lakh)

Movement of Provision for advances (including capital advances)	As at 31st March, 2026	As at 31st March, 2025
Deferred tax recognised in OCI related to Reameasurements of post employment benefit obligations	107.88	115.45
Deferred tax recognised in OCI related to effective portion of gains/(losses) on hedging instrument in cash flow hedges	(0.19)	(1.89)
Total	**107.69**	**113.56**

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 28 - Lease

The Company's significant leasing arrangements are mainly in respect of office & godown. Leases typically run in a range from 11 months to 5 years, with an option to renew the lease after that date. The Company previously used to classify leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company.

"The Company has adopted Ind AS 116 "Leases" with effect from 1 April 2019 i.e. date of transition with modified prospective approach. The Company has elected to account for short-term and low value leases using the practical expedient as given in the standard. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss. The weighted average incremental borrowings rate of 7.86% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. Company's short term and low value consists of office premises taken on lease for a period of 11 months months which are renewable by mutual consent or mutually agreed terms. The aggregate of such lease rentals are charged as "Rent".

The Company used following practical expedients when applying Ind AS 116 :

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

Accordingly, Right-of-Use asset and lease liability of ₹ 110.66 Lakhs has been recognised for 31st March, 2026.

A. Amount recognised in Statement of Profit and Loss

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest on lease liabilities	1.84	6.05
Amortisation of ROU Assets	24.37	37.20
Expenses relating to short term and low value leases charged as Rent	243.63	57.78

B. Amount recognised in the Statement of Cash Flows

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest component	1.84	6.05
Lease component	28.97	44.37

C. Maturity Analysis of Lease Liabilities

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Maturity Analysis - Undiscounted		
Less than one year	35.76	42.71
One to five years	107.16	15.08
More than five years	-	-

Lease liabilities included in Balance Sheet	For year ended 31st March, 2026	For year ended 31st March, 2025
- Current	26.33	39.72
- Non Current	90.03	14.53

D. Movement of Right of Use Assets

Forming part of note to "Right of Use Assets" (refer note 3B).

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

E. Movement of Lease Liability

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Balance as at the beginning	54.25	70.55
Addition	110.66	22.02
Deduction	(18.84)	-
Finance cost accrued	1.84	6.05
Payment of lease liabilities	(31.55)	(44.37)
Balance as at the end	**116.36**	**54.25**

Note 29 - Financial Instruments

29 a) Fair Value Measurement - Financial instruments by category

(₹ in Lakh)

Particulars	Amortised cost	
	As at 31st March, 2026	As at 31st March, 2025
Financial assets		
Trade receivables	18,184.46	14,812.42
Cash and cash equivalents	298.97	440.82
Bank balances other than cash and cash equivalent above	437.96	405.43
Investment in Preference shares (Gross of allowance for impairment) (Refer note below) *	27.04	27.04
Loans and advances	1,016.94	34.28
Other Financial Assets	72.07	63.12
Total financial assets - At amortised cost	**20,037.44**	**15,783.11**
Financial liabilities		
Borrowings	17,403.32	18,767.69
Trade Payables	8,437.84	9,787.52
Lease liabilities	116.36	54.25
Other Financial liabilities	2,219.98	1,253.80
Total financial liabilities - At amortised cost	**28,177.50**	**29,863.25**

(₹ in Lakh)

Particulars	FVOCI	
	As at 31st March, 2026	As at 31st March, 2025
Financial assets		
Equity shares of Panax Appliances Pvt. Ltd.(Gross of allowance for impairment)	11.90	11.90
Equity shares of Citizen Co-operative Society Ltd	0.08	0.08
Derivative Asset	-	16.16
Total financial assets - At FVOCI	**11.98**	**28.14**
Financial liabilities		
Derivative liability	-	0.75
Total financial liabilities - At FVOCI	**-**	**0.75**

*Note:- Investment in subsidiary have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purpose of measurement, the same have not been disclosed in tables above.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

29 b) Fair Value Measurement - Hierarchy

Financial assets and liabilities measured at fair value -recurring fair value measurements (₹ in Lakhs)

As at 31st March, 2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6		-	-	-
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets		**-**	**-**	**11.98**	**11.98**
Financial liabilities					
Derivative Instruments					
Designated as Cash Flow Hedge	19	-	-	-	-
Total Financial liabilities		**-**	**-**	**-**	**-**

Financial assets and liabilities measured at fair value -recurring fair value measurements (₹ in Lakhs)

As at 31st March, 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6		16.16	-	16.16
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets		**-**	**16.16**	**11.98**	**28.14**
Financial liabilities					
Derivative Instruments		-	-	-	-
Designated as Cash Flow Hedge	19	-	0.75	-	0.75
Total Financial liabilities		**-**	**0.75**	**-**	**0.75**

There is no movement in Level 3 investment.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values.

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise 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 unlisted equity securities, preference shares and debentures are included in level 3.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

29 c) Fair Value Measurement - Technique

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

The fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

29 d) Derivative Financial Instruments

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

(i) The details of various outstanding derivative financial instruments are given below : (₹ in Lakh)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Assets	Liabilities	Assets	Liabilities
Derivatives designated in cash flow hedges				
- Option contract	-	-	16.16	-
- Interest rate swap	-	-	-	0.75
Total designated derivatives	**-**	**-**	**16.16**	**0.75**

(ii) The details of the gross notional amounts of derivative financial instrument outstanding :

Particulars	Underlying	As at 31st March, 2026	As at 31st March, 2025
- Option contract	EUR/INR	-	€ 1.56 Lakhs
- Interest rate swap	Floating to Fixed	-	€ 1.56 Lakhs

(iii) The movement of cash flow hedges in other comprehensive income is as follows : (₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	(0.57)	(6.18)
Change in the fair value of effective portion of cash flow hedges	0.75	7.51
Deferred tax on fair value of effective portion of cash flow hedges	(0.18)	(1.89)
Balance at the end of the year	**-**	**(0.57)**

Note 30 -Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management framework, through which management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. 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 Risk Management Framework of the Company is enforced by the finance team and experts of business division that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and

The finance department is responsible to maximise the return on companies internally generated funds.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

30 a) Management of credit risks

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited. This is due to the Company's policy of strict credit worthiness tests it performs for all its sales. Company deals with limited number of customers with highest credit ratings. Company acts as institutional supplier to its customers without any channel distribution model. Most of the company products are plastic moulded components, specially created as per the designs of its customer and are either semi finished goods or critical to business operations of its customers, making it business prudent for customers for not to dispute or delay payment of any receivable to the Company. All trade receivables are regularly reviewed and assessed for default on an ongoing basis.

Expected credit loss for trade receivable under simplified approach (₹ in Lakh)

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
For year ended 31st March, 2026							
Gross carrying amount	13,376.35	3,583.73	1,522.73	76.68	62.31	72.55	18,694.36
Expected credit losses (Loss allowance provision)	(85.15)	(63.29)	(200.84)	(25.76)	(62.31)	(72.55)	(509.90)
Carrying amount of trade receivables	**13,291.20**	**3,520.44**	**1,321.89**	**50.92**	**-**	**-**	**18,184.46**
For year ended 31st March, 2025							
Gross carrying amount	11,529.99	3,138.23	264.31	33.07	274.96	64.10	15,304.67
Expected credit losses (Loss allowance provision)	(63.36)	(48.23)	(30.80)	(10.79)	(274.96)	(64.10)	(492.24)
Carrying amount of trade receivables	**11,466.63**	**3,090.00**	**233.52**	**22.28**	**-**	**-**	**14,812.42**

Cash and cash equivalents and Other bank balances

The Company held cash and cash equivalents and other bank deposits as at March 31, 2026 ₹ 736.93 lakhs (March 31, 2025 ₹ 846.26 lakhs). The cash and cash equivalents and other bank balances are held with banks with good credit ratings.

Loans and advances

Loans and advances mainly consist security deposit, loan to employees and loan to companies. The Company does not expect any losses from nonperformance by the counter-parties.

30 b) Management of liquidity risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence. The company has access to a sufficient sources of fund to meet its financials liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Expected credit loss for trade receivable under simplified approach (₹ in Lakh)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March, 2026				
Borrowings	17,403.32	16,095.91	3,228.56	19,324.46
Trade Payables	8,437.84	8,437.84	-	8,437.84
Lease Liabilities	116.36	26.33	90.03	116.36
Other Financial liabilities	2,219.98	2,219.98	-	2,219.98
	28,177.50	**26,780.06**	**3,318.59**	**30,098.64**
As at 31st March, 2025				
Borrowings	18,767.69	16,082.23	5,053.67	21,135.89
Trade Payables	9,787.52	9,787.52	-	9,787.52
Lease Liabilities	54.25	39.72	14.53	54.25
Other Financial liabilities	1,253.80	1,253.80	-	1,253.80
	29,863.25	**27,163.26**	**5,068.20**	**32,231.45**

As described in Note 18, the Company also participates in a supplier finance arrangement with the principal purpose of facilitating efficient payment processing of supplier invoices and providing the willing suppliers early payment terms compared with the related invoice payment due date. The arrangement allows the Company to centralise payments of trade payables to the bank rather than paying each supplier individually.

From the Company's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; on average the payment terms for invoices relating to participating suppliers are extended by 5 days compared with the normal terms agreed with other suppliers that are not participating (see Note 19).

30 c) Management of market risks

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of a financial asset. The value of a financial asset may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including receivables, payables and borrowings denominated in foreign currency. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the Management of, these risks is explained below:

30 d) (i) Foreign currency risk

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the functional currency '(INR) of the Company. The management does not undertake any hedging activities or otherwise to offset or mitigate the foreign currency and interest rate risk that it is exposed to other than the hedging EUR ECB loan. The Company undertakes significant of its foreign currency transaction in United States Dollar ('USD'). To the extent of lower of exports and imports that the Company undertakes in USD, the Company has a natural hedge against the exposure to foreign currency risks. However the Company has taken a EUR ECB Loan for which Currency Call Hedge has been undertaken.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March ,2026

The Company is exposed to foreign currency risks on accounts of foreign currency denominated receivables and payables as below:

(Amount in foreign & rupee currency in Lakhs)

As at 31st March, 2026	USD	INR	EURO	INR	HKD	INR	GBP	INR	AED	INR	SGD	INR
Financial assets												
Trade receivable	52.98	5,014.90	17.94	1,955.16	-	-	0.07	8.36	0.01	0.22	-	-
Bank balance in EEFC accounts	0.90	85.58	-	-	-	-	-	-	-	-	-	-
Loan to Shaily Innovations FZCO	10.34	977.34	-	-	-	-	-	-	-	-	-	-
Exposure to foreign currency assets	**64.22**	**6,077.83**	**17.94**	**1,955.16**	**-**	**-**	**0.07**	**8.36**	**0.01**	**0.22**	**-**	**-**
Financial liabilities												
Trade payables	1.68	159.22	1.30	142.22	2.16	24.70	0.22	27.27	-	-	-	-
Capital creditors	21.10	1,997.31	-	-	-	-	-	-	-	-	0.41	27.53
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	-	-	-	-	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**22.78**	**2,156.53**	**1.30**	**142.22**	**2.16**	**24.70**	**0.22**	**27.27**	**-**	**-**	**0.41**	**27.53**
Net Exposure to foreign currency risk (assets/(liabilities))	**41.44**	**3,921.30**	**16.63**	**1,812.94**	**(2.16)**	**(24.70)**	**(0.15)**	**(18.91)**	**0.01**	**0.22**	**(0.41)**	**(27.53)**

As at 31st March, 2025	USD	INR	EURO	INR	HKD	INR	GBP	INR	AED	INR	AED	INR
Financial assets												
Trade receivable	25.92	2,218.13	19.86	1,833.66	-	-	21.31	2,360.05	-	-	-	-
Bank balance in EEFC accounts	5.11	437.44	-	-	-	-	13.25	1,467.58	-		-	
Exposure to foreign currency assets	**31.03**	**2,655.57**	**19.86**	**1,833.66**	**-**	**-**	**34.56**	**3,827.63**	**-**	**-**	**-**	**-**
Financial liabilities												
Trade payables	9.78	836.81	0.89	81.76	1.82	19.61	1.08	119.75	-	-	-	-
Borrowings	-	-	1.56	144.26	-	-	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	(1.56)	(144.26)	-	-	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	0.01	0.97	-	-	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**9.78**	**836.81**	**0.90**	**82.73**	**1.82**	**19.61**	**1.08**	**119.75**	**-**	**-**	**-**	**-**
Net Exposure to foreign currency risk (assets/(liabilities))	**21.25**	**1,818.76**	**18.96**	**1,750.93**	**(1.82)**	**(19.61)**	**33.48**	**3,707.88**	**-**	**-**	**-**	**-**

The outstanding HKD denominated balance being insignificant has not been considered.

Notes forming part of the Standalone Financial statements
as at and for the year ended 31st March, 2026

Sensitivity
The sensitivity of profit or loss to changes in the exchange rates arises from above referred outstanding balances.

(₹ in Lakh)

Currency Sensitivity	Impact on profit before tax	
	As at 31st March, 2026	As at 31st March, 2025
USD sensitivity		
INR/USD -Increase by 1%*	39.21	29.70
INR/USD -decrease by 1%*	(39.21)	(29.70)
EURO sensitivity		
INR/EURO -Increase by 1%*	18.13	21.74
INR/EURO -decrease by 1%*	(18.13)	(21.74)
GBP sensitivity		
INR/GBP -Increase by 1%*	(0.27)	(1.77)
INR/GBP -decrease by 1%*	0.27	1.77
HKD sensitivity		
INR/HKD -Increase by 1%*	(0.25)	(0.20)
INR/HKD -decrease by 1%*	0.25	0.20
SGD sensitivity		
INR/SGD -Increase by 1%*	(0.28)	-
INR/SGD -decrease by 1%*	0.28	-

*Holding all other variables constant

The outstanding HKD & TWD denominated balance being insignificant has not been considered for the purpose of sensitivity disclosures.

30 d) (ii) Interest rate risk
Interest rate risk arises on account of variable interest rate borrowings held by the Company. The uncertainties about the future market interest rate of these borrowings exposes the Company to the interest rate risk.

Currently, Interest rate on Term Loans are linked with Marginal Cost of funds based Lending Rate (MCLR) and to the extent of variation in MCLR, interest rates on terms loans are expected to be changed. The interest rates on Term loans which are linked with MCLR are reported in Note 14 - Non-current Borrowings.

For the year ended 31st March, 2026 and 31st March, 2025, a 10 basis point increase / decrease in interest rate on floating rate liabilities would impact Company's profit before tax by approximately 0.03 % and 0.09 % respectively.

Note 31 - Details of Government Grants
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Government grants received by the Company during the year towards		
i.) Duty drawback (recognised under Export Incentive under Other revenue from operations)	114.51	48.17
ii.) Other incentives (Remission of Duties and Taxes on Export Products and Focus Product Scheme the revenue of which has been recognised under Export Incentive)	253.86	245.16
iii.) Other Government Grant include grant received by the Company in respect to investment made by the Company in plant and equipment.		
A) Amount of grant received during the year	-	-
B) Amortised in statement of Profit and Loss	1.80	1.80
C) Unamortised portion of grant recorded as deferred income in current and non current liabilities	6.34	8.14

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 32 -Operating segment

In accordance with the requirement of Ind AS 108 - "segment reporting", the Company is primarily engaged in the business of manufacturing of customized components made up of plastic and other materials and has no other primary reportable segments. The Board of Directors of the Company allocates the resources and assess the performance of the Company, thus Chief Operating Decision Maker("CODM"). The CODM monitors the operating results of the business as a single segment hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation and amortization during the year are all as reported in the financial statements for the year ended 31st March, 2026 and as on that date.

"The Company is primarily engaged in the contract manufacturing in the business of injection mould of plastic and other components. The nature of the entire business remains within the boundaries of contract manufacturing and its related activity for different industries such as furniture, pharma, toy, automobile etc. Each business may have distinct characteristics in terms of scale and type, but the fundamental process centered around contract manufacturing .

Considering the similarity in the economic characteristics and nature of these businesses, the company has applied aggregation criteria for reportable segment under IND AS 108 and disclosed it as a single reportable business segment.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(₹ in Lakh)

Revenue from sale of products and services	As at 31st March, 2026	As at 31st March, 2025
India	29,409.10	16,164.14
Outside India	61,727.40	57,201.44
Total Revenue from sale of products and services	**91,136.50**	**73,365.58**

The amount of its non-current assets broken down by location of the customers is shown in the table below. (₹ in Lakh)

Non-current assets	As at 31st March, 2026	As at 31st March, 2025
India	67,540.70	53,195.93
Outside India	-	-
Total non-current assets	**67,540.70**	**53,195.93**

The Company earns revenue from one major customer of ₹ 45,238.38 lakhs (previous year ₹ 42,656.24 lakhs) who individually contribute more than 10 percent of the Company's revenue.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 33 - Related Party Transactions

33 a) Details of related parties

Description of relationship	Names of related parties
Key Management Personnel and Directors	
Executive Chairman	Mr. Mahendra Sanghvi
Managing Director	Mr. Amit Sanghvi
Executive Director	Mr. Laxman Sanghvi
Whole Time Director	Mrs. Tilottama Sanghvi
Independent Director	Mr. Milin Mehta (till 8th Nov 2024)
Independent Director	Mr. Ranjit Singh
Independent Director	Mr. Shailesh Ayyangar
Independent Director	Mr. Samaresh Parida
Independent Director	Mrs. Sangeeta Singh
Other Related Parties	
Wholly Owned Subsidiary Company	Shaily Innovations Ltd. (Formerly known as Shaily (UK) Limited)
Wholly Owned Subsidiary Company	Shaily Innovations FZCO (incorporated w.e.f 1st Jan'25)
Entities in which key management personnel have significant influence	Panax Appliances Pvt. Ltd.
Entities in which key management personnel have significant influence	Shaily-IDC India Pvt. Ltd.
Entities in which key management personnel have significant influence	Shaily Medical Plastics Pvt.Ltd.
Key management personnel	Mr. Sanjay Navin Shah (Chief Strategy Officer)
Key management personnel	Mr. Sitakant Dash (Vice President - Technical Services)
Key management personnel	Mr. Paresh Mahavirbhai Jain (Chief Financial Officer)
Key management personnel	Mr. Harish Govind Punwani (Company Secretary)
Relative of key management personnel	Mrs.Kinjal S Bhavsar
Relative of key management personnel	Mrs. Shaily Sanghvi
Relative of key management personnel	Mrs. Kalpana L Sanghvi
Firm owned by relative of key management personnel	Jariwala Shah Kanji Raichand & Co
Firm owned by relative of key management personnel	Buddha Bambu (Mrs. Purnima Shah)
Entities in which Independent Directors have significant influence	Tiivra Ventures Private Limited

33 b) Key management personnel compensation

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Short term benefits	1,315.18	1,108.52
Post employment benefits	482.92	461.53
Share based payments	36.72	-

Note : As per resolution passed in last AGM dated 27th Sep'25, Mr. Amit Sanghvi is not drawing salary from Shaily Engineering Plastics Limited and drawing salary from its wholly owned subsidiary Shaily Innovations FZCO w.e.f 1st Apr'25.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

33 c) Transactions with related parties

(₹ in Lakh)

Nature of Transaction	For year ended 31st March, 2026	For year ended 31st March, 2025
Rent paid for lease arrangements		
Mrs. Tilottama Sanghvi	8.40	8.40
Jariwala Shah Kanji Raichand & Co	9.20	7.80
Investment		
Investment in Shaily Innovations FZCO	23.38	-
Redemption of Preference shares of Shaily Innovations Ltd. (Formerly known as Shaily (UK) Limited)	-	937.40
Dividend on preference shares of Shaily Innovations Ltd. (Formerly known as Shaily (UK) Limited)	177.96	69.47
Dividend on equity shares of Shaily Innovations Ltd. (Formerly known as Shaily (UK) Limited)	801.23	442.12
Loan given		
Shaily Innovations FZCO	946.26	-
Reimbursement of expenses		
Shaily Innovations FZCO	-	26.79
Sales transactions		
Tiivra Ventures Private Limited	0.27	1.93
Interest receivable on loan given to Shaily Innovations FZCO	31.08	-
as at and for the year ended on 31st March, 2026		
Purchases		
Buddha Bambu (Mrs. Purnima Shah)	-	1.30
Dividend paid		
Mr. Mahendra Sanghvi	66.63	37.64
Mr. Amit Sanghvi	26.07	13.03
Mr. Laxman Sanghvi	47.64	23.82
Mrs. Tilottama Sanghvi	128.77	64.39
Mrs. Shaily Sanghvi	26.00	-
Mr. Sanjay Navin Shah	2.46	-
Mr. Harish Govind Punwani	0.00	-
Mr. Sitakant Dash	0.16	-
Sitting fees to Independent Director	39.00	41.50

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

33 d) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions : (₹ in Lakh)

Outstanding balances	For year ended 31st March, 2026	For year ended 31st March, 2025
Investments		
Investment in Shaily Innovations Ltd. (Previously known as Shaily (UK) Limited)	1,125.15	1,125.15
Investment in Shaily Innovations FZCO	23.38	-
Investment in Panax Appliances Pvt. Ltd *	38.94	38.94
Loan to Shaily Innovations FZCO (including interest receivable of ₹ 31.08 lakhs)	977.34	-
Advance to supplier		
Shaily Medical Plastics Pvt Ltd.	9.50	9.50
Reimbursement of expenses receivable		
Shaily Innovations FZCO	26.79	26.79
Trade Receivables		
Tiivra Ventures Private Limited	-	11.96
Total receivables to related parties	**36.29**	**48.25**
Trade Payables		
Panax Appliances Pvt. Ltd	20.03	20.03
Jariwala Shah Kanji Raichand & Co	0.69	-
Mrs. Tilottama Sanghvi	0.63	0.63
Salary payable		
Mr. Mahendra Sanghvi	52.09	60.19
Mr. Amit Sanghvi	-	53.40
Mr. Laxman Sanghvi	5.77	20.21
Mrs. Tilottama Sanghvi	5.77	16.42
Mr. Sanjay Navin Shah	2.17	-
Mr. Harish Govind Punwani	2.19	-
Mr. Paresh Mahavirbhai Jain	4.05	-
Mr. Sitakant Dash	5.05	-
Total payables to related parties	**98.43**	**170.88**

*The entire investment is provided for as impairment allowance

33 e) Terms and conditions :

(i) All outstanding balances are unsecured and are repayable/receivable in cash and all the transactions with these related parties are priced on an arms lengh basis.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 34 - Contingent liabilities

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Income Tax	2.46	2.46
(b) Custom Duty	97.84	97.84
(c) Service Tax	193.93	193.93
(d) Excise Duty	3.22	3.22
(e) Bank guarantee	946.51	-
(f) Workmen compensation	Amount Not determinable	Amount Not determinable

It is not practical for the Company to estimate the closure of these issue and the consequential timing of cash flows, if any.

1) The Company has ongoing disputes with various tax authorities (income tax, customs duty, service tax and excise) in India. The Company has disclosed contingent liability of ₹ 297.45 lakhs and ₹ 297.45 lakhs as at March 31, 2026 and 2025, respectively, in respect of various tax demands, which are being contested by the Company based on the management evaluation and advice of tax consultants.The amounts assessed as contingent liability do not include interest and penalty that could be claimed by counter parties.

2) The company does not expect any reimbursement in respect of the above contingent liabilities.

Note 35 - Commitments

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible assets	9,889.72	5,946.40

Note 36 - Disclosure under Ind AS 115

(A) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Revenue as per contracted price	91,669.21	73,782.54
Adjustments :		
Rebates, Discounts and others	(532.70)	(416.96)
Revenue from contract with customers	**91,136.51**	**73,365.58**

(B) Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivables (net of allowances for expected credit loss)(Note 9)	18,184.46	14,812.42
Contract assets	-	-
Contract liabilities	9,142.88	3,537.28

Changes in contract assets and liabilities are mainly on account of contractual right to consideration and is dependent on completion of contractual milestones.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(C) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Amounts included in contract liabilities at the beginning of the year	214.86	-
Performance obligations satisfied in previous years, not previously recognised	-	-

(D) Unsatisfied or partially satisfied Performance Obligation

Revenue to be recognised in future related to the performance obligations that are unsatisfied or partially satisfied as at March 31, 2026 and expected to be recognised within one year is of ₹ 6760.37 lakhs (PY ₹ Nil) and for more than one year is ₹ 2382.51 lakhs (PY ₹ Nil).

(E) Disaggregation of revenue

The management determines that the segment information reported under Note 32 - Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers.

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Consumer	51,125.60	56,077.39
Industrial	8,657.08	6,136.01
Pharma	32,337.13	11,598.54
	92,119.81	**73,811.94**

(F) Significant payment terms

Generally, the Company provides credit period in the range of 30 -120 days for customers.

Note 37 - Earnings per share

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Profit attributable to the equity holders of the Company	16,132.04	7,091.01
Weighted average number of equity shares (basic) for the year	4,59,55,093	4,59,03,809
Total basic earnings per share attributable to the equity holders of the Company	35.10	15.45
Weighted average number of equity shares (diluted) for the year	4,61,37,597	4,60,32,847
Total diluted earnings per share attributable to the equity holders of the Company	34.97	15.40

Collateral against borrowings

The Company has hypothecated / mortgaged financial instruments as collateral against a number of its borrowings. Refer note 38 (assets pledged) for further information on financial and non-financial collateral hypothecated.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 38 - Assets pledged as security

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current (Present and Future)		
Second pari passu charge for all term loans and foreign currency loans from banks		
Inventories	15,078.30	13,775.63
Trade receivables	18,184.46	14,812.42
Cash and cash equivalents	298.97	440.82
Bank balances other than cash and cash equivalents	437.96	405.43
Balances with government authorities	3,537.62	3,365.08
Advance to suppliers	529.10	756.48
Advance to Employees	49.26	53.05
Other financial assets	23.08	15.38
Loans	1,016.94	34.28
Derivative asset	-	16.16
Prepaid expense	380.85	258.40
Total current assets pledged as security	**39,536.55**	**33,933.14**
Non-Current		
First pari passu charge for all term loans and foreign currency loans from banks		
Property, plant and equipment	57,168.94	45,763.79
Capital work-in-progress	2,880.26	1,735.96
Total	**60,049.19**	**47,499.75**

Note 39 - Disclosure as per Regulation 34(3) of SEBI (Listing Obligations and Discolsure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013

(₹ in Lakh)

Name of the party	Relationship	Nature	As at 31st March, 2026	As at 31st March, 2025
Shaily Medical Plastics Private Limited#	Significant Influence of KMP	Outstanding Balance	9.50	9.50
		Maximum Balance Outstanding	9.50	9.50
Shaily Innocations FZCO*	Wholly owned subsidiary	Outstanding Balance	977.34	-
		Maximum Balance Outstanding	977.34	-

#The above advance has been given for business purpose.

*Above loan is given for the purpose of working capital and capital expenditure on which interest is charged @8% p.a.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note-40 Analyical ratios

Sr. No	Particulars	Parameter for Calculation	For year ended 31st March, 2026	For year ended 31st March, 2025	Movement	Variance	Remarks *
1	Current Ratio	Current assets / Current liabilities	1.11	1.10	0.01	0.47%	
2	Return on Equity Ratio	Net profit after taxes / Average shareholder's equity	28.16%	15.29%	0.13	84.22%	With increase in revenue and better product mix, higher profit achieved.
3	Net profit ratio	Net Profit/Net Sales	17.51%	9.61%	0.08	82.29%	With increase in revenue and better product mix, higher profit achieved.
4	Return on Capital employed	EBIT/Capital Employed	32.17%	19.97%	0.12	61.13%	With increase in revenue and better product mix, higher EBIT achieved.
5	Inventory turnover	Cost of goods sold or Sales / Average Inventories	2.89	3.76	-0.86	-22.93%	
6	Trade receivables turnover	Net credit sales / Average trade receivables	5.58	5.68	-0.10	-1.71%	
7	Trade payables turnover	Net Credit Purchases / Average trade payables	4.66	5.65	-0.99	-17.51%	
8	Net capital turnover ratio	Net Sales/Working Capital	24.23	23.73	0.50	2.11%	
9	Debt equity ratio	Total debt / Net worth Total debt= Long term borrowings (incl. current maturities of long term borrowings) + Short tem borrowings Net worth: Equity share capital + Other equity"	0.27	0.38	-0.11	-28.80%	Increase profit in turn resulted in higher net worth. Further during the year reduction in debt on account of repayment also helped to improv Debt equity ratio.
10	Debt service coverage ratio	Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt and lease / Interest on debt and lease + Principal repayments of long term debt including lease payment	7.87	2.35	5.52	235.16%	Increased profit and reduction of long-term debt in turn leads to reduction in Principal instalments and help to improve debt service coverage ratio.
11	Return on Investment (%)	Profit after tax/Average total assets	NA	NA	NA		

*In accordance with amended Schedule III, explanation shall be provided for any change in the ratio by more than 25% as compared to the ratio of preceding year.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note-41 Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from external parties such as banks or financial institutions. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Debt (Bank and other borrowings)	17,403.32	18,767.69
Less: Liquid Investments and bank deposits	298.97	440.82
Net Debt	17,104.35	18,326.86
Total Equity	64,945.91	49,621.85
Net Debt to Equity (Net)	0.26	0.37

Note-42 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has 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 has 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 does 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.

Note 43: Share Based Payments (Ind AS 102)

The Company implemented "Shaily Employee Stock Option Plan 2019" (ESOP 2019), as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors (the Committee).

The Committee determines which eligible employees will receive options, the number of options to be granted, the vesting period and the exercise period. The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2 each (post sub-division). The options issued under the above scheme vest in a phased manner after completion of the minimum period of one year with an exercise period of four years from the respective grant dates.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

(A) The Company has new grant i.e "Grant 3" of 94,500 options during the year (in PY two grants i.e. "Grant 1" of 2,55,500 options and "Grant 2" of 11,000 options) to its eligible employees under ESOP, details are as under:

Particulars	Grant 3		
	Tranche I	Tranche II	Tranche III
Vesting plan	33.33%	33.33%	33.33%
No. of Options (Refer Note 44(D))	31,500	31,500	31,500
Vesting period	1	2	3
Exercise period	4	4	4
Time to expiration	4	4	4
Grant Date	08-11-2025	08-11-2025	08-11-2025
Exercise Date	08-11-2026	08-11-2027	08-11-2028
Exercise price (₹ per share)	1072.94	1354.81	1637.47
Fair Value per Stock Option (₹ per share)	1633.32	1545.82	1513.17
Share price as on grant date (₹ per share)	2471.95	2471.95	2471.95

Particulars	Grant 1			Grant 2		
	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III
Vesting plan	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%
No. of Options (Refer Note 44(D))	85,167	85,167	85,166	3,667	3,667	3,666
Vesting period	1	2	3	1	2	3
Exercise period	4	4	4	4	4	4
Time to expiration	4	4	4	4	4	4
Grant Date	01-10-2023	01-10-2023	01-10-2023	14-02-2024	14-02-2024	14-02-2024
Exercise Date	01-10-2024	01-10-2025	01-10-2026	14-02-2025	14-02-2026	14-02-2027
Exercise price (₹ per share)	549.00	254.07	325.13	749.12	345.60	441.50
Fair Value per Stock Option (per share)	84.23	205.92	195.01	75.71	216.45	205.91
Share price as on grant date (per share)	359.66	359.66	359.66	452.65	452.65	452.65

Note : Options would be vested based on Company's and individual performance and time as per Grant Letter.

(B) Fair Valuation

Share options were granted during the year 31st March, 2026 having vesting plan of 1/3 of the options granted shall vest on completion each respective Year. Weighted average fair value of the options granted during the year 31st March, 2026 is ₹ 1564.1 per share.

The fair value of option has been done by an independent valuation firm on the date of grants using the Black-Scholes Model.

(C) The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

Particulars	Grant 3		
	Tranche I	Tranche II	Tranche III
Risk Free Rate	5.91%	6.06%	6.19%
Expected annual volatility	48.50%	47.07%	47.57%
Dividend Yield	0.08%	0.08%	0.08%

Particulars	Grant 1			Grant 2		
	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III
Risk Free Rate	7.09	7.11	7.12	7.00	7.03	7.05
Expected annual volatility	45.13	48.82	47.78	45.08	49.20	48.45
Dividend Yield	Nil	Nil	Nil	Nil	Nil	Nil

Notes forming part of the Standalone Financial statements
as at and for the year ended 31st March, 2026

(D) Movement of Options Granted :

Particulars	As at 31st March, 2026	As at 31st March, 2025
Outstanding at the beginning of the year	1,70,167.00	2,66,500.00
Granted during the year	94,500.00	-
Vested during the year	60,520.00	87,583.00
Exercised during the year	-	87,583.00
Options lapsed (due to resignation & retirement)	(24,563.00)	(8,750.00)
Outstanding at the end of the year	**1,79,584.00**	**1,70,167.00**
Options exercisable at the end of the year	60,520.00	-

(E) Expenses recognised in profit or loss :

Expenses recognised in profit or loss related to employee benefits expense for the period ended 31st March, 2026 is ₹ 431.28 lakhs (PY ₹ 177.24 lakhs).

Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

A. Stock price

The closing market price one day prior to the date of grant on National Stock Exchange (NSE) has been considered for the purpose of Option valuation.

Under the Equity Based Compensation Plan, one Option entitles an employee to one equity share of the Company.

B. Volatility

The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

C. Risk free interest rate

The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the Options based on the zero-yield curve for Government Securities.

D. Exercise Price

Exercise price is the market price or face value or such other price as determined by the Nomination and Remuneration Committee.

For Grant 1 & 2 : Exercise price on first tranche is at Par (market price) and Second and third tranche is at 1/3rd of market price as on the date of vesting.

For Grant 3 : Exercise price is at 1/3rd of market price as on the date of vesting.

E. Time to Maturity / Expected Life of Options

Expected Life of option is the period for which the Company expects the options to be alive. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

F. Expected dividend yield:

Expected dividend yield has been calculated based on the dividend declared for one financial year prior to the date of grant. The dividend yield has been derived by dividing the dividend per share by the market price per share on the date of grant.

Notes forming part of the Standalone Financial statements

as at and for the year ended 31st March, 2026

Note 44

"During the year ended 31st March, 2026, the Central Government of India has notified 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', effective from 21st November 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity.

As a result of this plan amendment, the Company's defined benefit obligation increased by ₹ 90 lakhs (PY: Nil). A corresponding past service cost was recognised in profit or loss during the current year."

Note 45

All material events occurring after the balance sheet date upto the date of approval of financial statements by the Board of Directors on 19th May, 2026, have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 - Events after the Reporting Period.

Note 46

The company has borrowings from banks and financial institutions on the basis of security of current assets. However the Company is not required to file the quarterly returns or statements as confirmed by the bank.

Note 47

The financial statements are approved for issue by the Board of Directors in their meeting held on 19th May, 2026.

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Shabbir Readymadewala
Partner
Membership No: 100060

Vadodara
19 May 2026

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To
The Members of
Shaily Engineering Plastics Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Shaily Engineering Plastics Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 the Institute of Chartered Accountants 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 obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

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.

Revenue Recognition

See Note 2(e) and 20 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from the sale of goods and sale of services has been recognised when the control of the goods and services is transferred which is generally in accordance with the terms of sales and service contracts. We have identified the recognition of revenue as key audit matter because revenue is a key performance indicator of the Group, and therefore there is an inherent risk that revenue at period end is overstated to meet financial expectations or targets. The Group has various customers with different terms of trade which increase the risk in the timing of revenue recognition. There is also a risk of revenue being overstated through booking fictitious sales from new customers during the year resulting from pressure on the Group to achieve performance targets during the year as well as at the reporting period end.	Our procedures included the following: 1. Assessing the Group's accounting policies for revenue recognition by comparing with the applicable accounting standards; 2. Obtain understanding of and assessing the design implementation and operating effectiveness of the Group's key internal financial controls in relation to revenue recognition; 3. Inspecting customer contracts, on random sample basis to identify the terms and conditions relating to the transfer of control of the products sold and services provided and assessing the Group's timing of revenue recognition; 4. Identified significant terms and deliverables in contract to assess management's conclusion regarding the (i) identification of distinct performance obligation (ii) allocating the transaction price to the performance obligation in the contract;

The key audit matter	How the matter was addressed in our audit
	5. Comparing on test check basis revenue transactions recorded throughout the year and before the financial year end with relevant underlying documents including gate outward register and shipping documents to assess whether revenue from sale of goods has been recognised in the appropriate financial period;
	6. Assessed journals posted to revenue to identify unusual items; and
	7. Assessing and testing the adequacy of presentation and disclosures.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and 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 and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities 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 state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the 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 are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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.

Other Matter

a. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 10,350.66 lakhs as at 31 March 2026, total revenues (before consolidation adjustments) of ₹ 6,946.91 lakhs and net cash inflows (before consolidation adjustments) amounting to ₹ 312.78 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report 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 these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

   One of these subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

b. In our opinion, proper books of account as required by law 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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 1 April 2026 and 20 April 2026 taken on record by the Board of Directors of the Holding Company being the only company in the Group incorporated in India, none of the directors of the Holding Company incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company being the only company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 34 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company being the only company incorporated in India during the year ended 31 March 2026.

d (i) The management of the Holding Company whose financial statements have been audited under this Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 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 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company whose financial statements have been audited under this Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 to the consolidated financial statements, no funds have been received by the Holding 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 shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 13(b) to the consolidated financial statements, the Board of Directors of the Holding Company has 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.

f. 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 that has been enabled, except for the feature of recording audit trail (edit log) facility for certain fields was enabled at the application layer of the accounting software which is main ERP for masters and for direct data changes to transactions during the period starting 1 April 2025 to 31 March 2026 in phased manner, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Additionally, other than the period where audit trail was not enabled in the previous years, the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable during the current year by the Holding Company, being the only company to which such requirements of the Act are applicable, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company being the only company to which such requirements of the Act are applicable, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are

For **B S R and Co**
Chartered Accountants
Firm’s Registration No.:128510W

Shabbir Readymadewala
Partner
Membership No.: 100060
ICAI UDIN:26100060QASIKI9282

Place: Vadodara
Date: 19 May 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Shaily Engineering Plastics Limited for the year ended 31 March 2026

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

(xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Shabbir Readymadewala
Partner
Membership No.: 100060
ICAI UDIN:26100060QASIKI9282

Place: Vadodara
Date: 19 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Shaily Engineering Plastics Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Shaily Engineering Plastics Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company , as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Holding 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 Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to 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 controls 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 **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Shabbir Readymadewala
Partner
Membership No.: 100060
ICAI UDIN:26100060QASIKI9282

Place: Vadodara
Date: 19 May 2026

Consolidated Balance Sheet as at 31st March, 2026

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	57,398.26	45,909.41
b) Capital work-in-progress	3A	2,880.26	1,735.96
c) Right-of-use asset	3B	334.35	48.70
d) Intangible assets	4	4,050.21	4,160.78
e) Intangible assets under development	4A	226.31	32.31
f) Financial assets			
i. Investments	5	0.08	0.08
ii. Other financial assets	6	48.99	47.74
g) Income tax assets (net)		526.08	376.59
h) Other non-current assets	7	4,195.12	2,389.95
Total non-current assets		**69,659.66**	**54,701.52**
Current assets			
a) Inventories	8	15,078.30	13,775.63
b) Financial assets			
i. Trade receivables	9	21,481.24	17,172.47
ii. Cash and cash equivalents	10	2,079.32	1,908.39
iii. Bank balances other than cash and cash equivalents	11	437.96	405.43
iv. Loans	12	39.59	34.28
v. Other financial assets	6	31.72	39.16
c) Other current assets	7	5,865.83	5,225.12
Total current assets		**45,013.96**	**38,560.48**
TOTAL ASSETS		**1,14,673.62**	**93,262.00**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	13(a)	919.10	919.10
b) Other equity	13(b)	70,748.39	53,849.68
TOTAL EQUITY		**71,667.49**	**54,768.78**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i. Borrowings	14	2,734.56	4,005.86
ii Lease Liability	28	244.36	14.53
b) Provisions	16	499.37	393.90
c) Deferred tax liabilities (Net)	27(c)	3,403.42	2,358.74
d) Other non-current liabilities	17	4.54	6.34
Total non-current liabilities		**6,886.25**	**6,779.37**
Current liabilities			
a) Financial liabilities			
i. Borrowings	15	14,668.77	14,761.83
ii. Lease Liability	28	93.60	39.72
iii. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	18	1,919.76	1,594.88
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	18	6,667.41	8,308.34
iv. Other financial liabilities	19	2,219.98	1,254.56
b) Other current liabilities	17	9,402.29	4,357.90
c) Provisions	16	890.51	708.64
d) Current tax liabilities (Net)		257.56	687.98
Total current liabilities		**36,119.88**	**31,713.85**
TOTAL LIABILITIES		**43,006.13**	**38,493.22**
TOTAL EQUITY AND LIABILITIES		**1,14,673.62**	**93,262.00**
Notes forming part of the Financial Statements	1-47		

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Shabbir Readymadewala
Partner
Membership No: 100060

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

Vadodara
19 May 2026

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

(₹ in Lakhs)

Particulars	Note No.	For year ended 31st March, 2026	For year ended 31st March, 2025
Income			
Revenue from operations	20	99,066.72	78,679.77
Other income	21	778.22	232.08
Total income		**99,844.94**	**78,911.85**
Expenses			
Cost of materials consumed	22(a)	43,594.76	42,964.99
Changes in inventories of finished goods and work-in-progress	22(b)	(976.31)	(1,386.88)
Power and fuel		3,299.48	3,149.39
Employee benefits expense	23	10,965.24	8,043.87
Finance costs	24	1,586.89	1,694.62
Depreciation and amortization expense	25	4,921.92	4,215.65
Other expenses	26	14,191.60	8,302.68
Total expenses		**77,583.58**	**66,984.32**
Profit before tax		**22,261.36**	**11,927.53**
Income tax expense			
- Current tax	27	4,358.25	2,279.77
- Deferred tax	27	911.90	335.86
Total tax expense		**5,270.15**	**2,615.63**
Profit for the year		**16,991.21**	**9,311.90**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Reameasurements of post employment benefit obligations		(428.61)	(458.67)
- Income tax relating to above.		107.88	115.45
Items that will be reclassified to profit or loss			
- Effective portion of gains on hedging instrument in cash flow hedges		0.75	7.51
- Exchange differences in translating the financial statements of foreign operations		956.11	209.80
- Income tax relating to above		(240.82)	(54.69)
Other Comprehensive Income net of income tax for the year		**395.31**	**(180.61)**
Total Comprehensive Income for the year		**17,386.52**	**9,131.30**
Earnings per Equity Share (Face value of ₹ 2 each)			
Basic		**36.97**	**20.29**
Diluted	37	**36.83**	**20.23**
Notes forming part of the Financial Statements	1-47		

In terms of our report attached

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Vadodara
19 May 2026

Vadodara
19 May 2026

Consolidated Cash Flow Statement for the year ended 31st March, 2026

(₹ in Lakhs)

	Particulars	Notes	For year ended 31st March, 2026	For year ended 31st March, 2025
A	**Cash flow from operating activities**			
	Profit before tax		22,261.36	11,927.53
	Adjustments for:			
	Depreciation and amortization expense	3	4,921.92	4,215.65
	(Gain) on sale of property, plant and equipment	21	(3.72)	(5.29)
	Interest income	21	(56.37)	(66.82)
	Interest component on account of Fair valuation of loan	21	(21.29)	(61.18)
	Provision of slow and non moving inventory	8	183.76	200.00
	Finance costs	24	1,586.89	1,694.62
	Allowance for expected credit losses (Impairment loss)	26	17.66	(107.98)
	Mark to Market Gain on Derivative Contract	26	16.16	138.41
	Net unrealised exchange gain	21	(138.04)	(338.66)
	ESOP expense		431.28	-
	Sundry balances written off/ written back		-	(0.62)
	Provision for doubtful advances to supplier		(3.76)	(8.82)
	Operating profit before working capital changes		**29,195.85**	**17,586.84**
	Adjustments for:			
	(Increase) in trade receivables	9	(4,326.42)	(5,328.98)
	(Increase) in other receivables and advances	7	(634.13)	(1,567.28)
	(Increase) in loans		(5.31)	-
	(Increase) in inventories	8	(1,486.44)	(5,615.27)
	(Increase) / Decrease in other financial assets	6	(2.29)	9.88
	(Decrease) / Increase in trade payables	18	(221.87)	3,586.03
	Increase in other financial liabilities		89.88	-
	Increase in other liabilities and provisions	17	4,901.13	4,089.92
	Cash generated from operations		**27,510.40**	**12,761.15**
	Taxes paid (net of refunds)		(4,938.16)	(1,754.70)
	Net cash generated from operating activities		**22,572.23**	**11,006.46**
B	**Cash flow from investing activities**			
	Payment for purchases of property, plant and equipment (including capital advances and capital creditors)	3	(17,848.57)	(6,801.84)
	Payment for purchases of intangibles and Intangibles under development ((including capital advances and capital creditors)		(710.12)	(420.26)
	Proceeds from disposal of property, plant and equipment	3	38.61	10.59
	Interest received	21	64.07	70.24
	(Investment)/ Proceeds from fixed deposit	11	(16.36)	8.68
	Net cash flow (used in) investing activities		**(18,472.37)**	**(7,132.59)**
C	**Cash flow from financing activities**			
	Repayment of long term borrowings		(1,271.30)	(3,822.86)
	Repayment from working capital loans (net)		(93.06)	1,798.55
	Principal payment of lease liabilities (Refer note 28 e)		(83.48)	(44.37)
	New lease liability added (Refer note 28 e)		-	22.02
	Issue of equity shares on exercise of option by employees		-	1.75
	Dividend paid		(902.93)	(459.04)
	Finance costs paid	24	(1,578.17)	(1,683.26)
	Net cash flow (used in) financing activities		**(3,928.94)**	**(4,187.21)**
D	**Net increase in cash and cash equivalents**		170.93	(313.35)
	Cash & cash equivalents as at beginning of the year		1,908.39	2,221.74
	Cash and cash equivalents as at end of the year		**2,079.32**	**1,908.39**

Consolidated Cash Flow Statement for the year ended 31st March, 2026

(₹ in Lakhs)

Particulars	Notes	For year ended 31st March, 2026	For year ended 31st March, 2025
Reconciliation of cash & cash equivalents as per financial statement :			
Cash & cash equivalents comprise :			
a) Balances with banks			
In current accounts		1,989.59	1,467.77
In EEFC accounts		85.58	437.44
b) Cash on Hand		4.15	3.17
Total		**2,079.32**	**1,908.39**

(i) The above Statement of Consolidated Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows

(ii) Change in Liabilities arising from Financing Activities:

(₹ in Lakhs)

Analysis of changes in net debt			Non - cash		
	As at 31st March, 2025	Cash inflow/ (outflow)	Fair value adjustments (including foreign exchange rate movements)	Others on account of debt issuance cost	As at 31st March, 2026
Current Borrowings (including Cash Credit/ Packing Credit)	11,682.24	(93.06)	-	-	11,589.18
Non-Current Borrowings (including current maturities of Non-Current Borrowings)	7,085.45	(1,271.30)	-	-	5,814.15
Net debt	**18,767.69**	**(1,364.36)**	**-**	**-**	**17,403.33**

(₹ in Lakhs)

Analysis of changes in net debt			Non - cash		
	As at 31st March, 2024	Cash inflow/ (outflow)	Fair value adjustments (including foreign exchange rate movements)	Others on account of debt issuance cost	As at 31st March, 2025
Current Borrowings (including Cash Credit/ Packing Credit)	9,883.69	1,798.55	-	-	11,682.24
"Non-Current Borrowings (including current maturities of Non-Current Borrowings)"	10,951.50	(3,866.04)	-	-	7,085.45
Net debt	**20,835.18**	**(2,067.49)**	**-**	**-**	**18,767.69**

(₹ in Lakhs)

Movement in finance cost	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest accrued	85.65	128.83
Interest expense for the year	1,577.50	1,694.62
Paid for the year	(1,578.17)	(1,683.26)
Others	6.10	(54.53)
Closing interest accrued	**91.09**	**85.65**

(iii) Also refer note 10 for details of Cash and cash equivalents

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Shabbir Readymadewala
Partner
Membership No: 100060

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

Vadodara
19 May 2026

Consolidated Statement of Changes in Equity for the year ended 31st March, 2026

Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at 1st April, 2024	**917.35**
Changes in equity share capital	1.75
As at 31st March, 2025	**919.10**
Changes in equity share capital	-
As at 31st March, 2026	**919.10**

Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus					Other components of equity			Total other equity
	Securities premium	General reserve	Capital reserve	Retained earnings	Share based payment reserve	Cash flow hedge reserve	Other Comprehensive Income	Currency translation reserve	
As at 1st April, 2024	**18,088.52**	**191.58**	**92.91**	**26,580.38**	**109.71**	**(6.18)**	**(181.76)**	**124.77**	**44,999.93**
Addition during the Year	73.46	-	-	-	177.13			-	250.59
Profit for the year	-	-	-	9,311.90	-	-	-	-	9,311.90
Utilised	-	-	-	-	(73.46)	-	-	-	(73.46)
Dividends paid	-	-	-	(458.68)	-	-	-	-	(458.68)
Other comprehensive income/(Loss) on Remeasurements of post employment benefit obligations (Net of tax)	-	-	-	-	-	-	(343.22)	-	(343.22)
Other comprehensive income/(Loss) on Effective portion of gains on hedging instrument in cash flow hedges	-	-	-		-	5.61	-	157.00	162.61
Total comprehensive income for the year	**73.46**	**-**	**-**	**8,853.23**	**103.67**	**5.61**	**(343.22)**	**157.00**	**8,849.75**
As at 31st March, 2025	**18,161.98**	**191.58**	**92.91**	**35,433.61**	**213.38**	**(0.57)**	**(524.98)**	**281.77**	**53,849.68**
As at 1st April, 2025	**18,161.98**	**191.58**	**92.91**	**35,433.61**	**213.38**	**(0.57)**	**(524.98)**	**281.77**	**53,849.68**
Addition during the Year	-	-	-	-	431.28			-	431.28
Profit for the year	-	-	-	16,991.21	-	-	-	-	16,991.21
Utilised	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	(919.10)	-	-	-	-	(919.10)
Other comprehensive income/(Loss) on Remeasurements of post employment benefit obligations (Net of tax)	-	-	-	-	-		(320.73)	-	(320.73)
Other comprehensive income/(Loss) on Effective portion of gains on hedging instrument in cash flow hedges	-	-	-	-	-	0.57	-	715.47	716.03
Total comprehensive income for the year	-	-	-	16,072.11	431.28	0.57	(320.73)	715.47	16,898.71
As at 31st March, 2026	**18,161.98**	**191.58**	**92.91**	**51,505.72**	**644.66**	**-**	**(845.71)**	**997.24**	**70,748.39**

Consolidated Statement of Changes in Equity for the year ended 31st March, 2026

Nature and purpose of other reserves

Nature and purpose of other reserves

1. **Securities premium**

   Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act,2013.

2. **General reserve**

   The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

3. **Capital reserve**

   Capital reserve relates to the balance towards merger of Anmol Trading Company on 1st April, 2001.

4. **Cash flow hedge reserve**

   The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

5. **Retained earnings**

   Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

6. **Share Based Payment Reserve**

   The Company implemented “Shaily Employee Stock Option Plan 2019” (ESOP 2019), as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors (the Committee).

7. **Currency translation reserve**

   The foreign exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented under equity in the foreign currency translation reserve. The amount is transferred to retained earnings upon disposal of investment in foreign operation.

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Shabbir Readymadewala
Partner
Membership No: 100060

Vadodara
19 May 2026

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 1: Corporate Information

Shaily Engineering Plastics Limited ("the Group" or “the Company”) is a Public Company, limited by shares, incorporated and domiciled in India under the provisions of Companies Act 1956, applicable in India, with its registered office in Savli, District Vadodara, Gujarat. Its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Group is engaged in the manufacture of customized components made up of plastic and other materials and sale of design and development of medical equipment.

Note 2 - I: Material accounting policies

a) Basis of preparation and measurement

i) Compliance with Ind AS

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) and other relevant provision of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

ii) Basis of measurement

These financial statements have been prepared on the historical cost basis except for defined benefit plans - net defined benefit (asset) / liabilities which have been measured at fair value based on principles of Ind AS 19 -"Employee benefits" and certain financial assets and liabilities are measured at fair value (refer note 29 (b) for list of financial assets and liabilities measured at fair value),

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Group adopted Disclosures of Accounting policies (Amendments to Ind As 1) from 1st April 2023, although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Current / Non-current classification:

Based on the time involved 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 for determining current and non-current classification of assets and liabilities in the balance sheet.

b) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company allocates the resources and assess the performance of the Group, thus Chief Operating Decision Maker(“CODM”). The board of directors assesses the financial performance and position of the Group, and makes strategic decisions. Refer Note 32 for segment information.

c) Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Indian rupee (₹), which is the group’s functional and presentation currency.

Notes forming part of the Consolidated Financial statements
as at and for the year ended 31st March, 2026

(ii) Transactions and balances

Monetary items denominated in foreign currencies at the year-end are translated into the functional currency at the exchange rate prevailing on the balance sheet date.

Non-monetary items are carried at historical cost using the exchange rates on the date of transaction, other than those measured at fair value. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other incomes/expenses.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group's consolidated financial statements include below list of of subsidiaries:

Name of Subsidiary	Principal place of business and place of incorporation	Proportion of ownership interests	
		As at 31st March, 2026	As at 31st March, 2025
Shaily Innovations Ltd (formerly known as Shaily (UK) Ltd)	United Kingdom	100%	100%
Shaily Innovations FZCO	Dubai	100%	-

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiaries to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

e) Revenue and income recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer, depending on individual terms, i.e. at the time of dispatch, delivery or formal customer acceptance depending on agreed terms and at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Similarly for services, revenue is recognised upon completion of performance obligations as agreed with customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Group assesses promises in the contract that are separate performance obligations to which a portion of the transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Group considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at the end of each reporting period.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Contract balances

Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional i.e., only the passage of time is required before payment of consideration is due.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract liabilities are recognised as revenue when the Group delivers performance obligations under the contract.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Export incentives

Export incentive available under prevalent scheme is accrued in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization of such duty credit.

Dividend

Dividend income is recognised in the consolidated statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliable.

f) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India.

Deferred tax is provided on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company has not recognized deferred tax liability with respect to unremitted retained earnings and associated foreign currency translation reserve with respect to its subsidiaries as the Company is in a position to control the timing of the distribution of profits.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

g) Leases

Ind AS 116 – Leases:

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using 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.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is subsequently remeasured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension, or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in the Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities.

h) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Notes forming part of the Consolidated Financial statements
as at and for the year ended 31st March, 2026

i) Cash and cash equivalents

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

j) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows:

Inventory	Cost Formula
Raw materials, components and packing materials	Weighted average cost basis.
Raw material in transit	At Cost to date
Work-in-process and Finished goods	Cost represents material, labor and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Stores and Spares	First in first out.

The Group considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impact the Group's business in determining the allowance for obsolete, non-saleable and slow moving inventories. The Group considers the above factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

k) Financial assets and liabilities

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Group becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income (FVTOCI);

c) Financial assets measured at fair value through statement of profit and loss (FVTPL).

The Group classifies its financial assets in the above mentioned categories based on:

a) The Group's business model for managing the financial assets;

b) The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets; and

b) The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

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

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

b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through 'arrangement; and either:

i) The Group has transferred substantially all the risks and rewards of the asset, or

ii) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Group assesses impairment based on expected credit loss (ECL) model to the following:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12 months' expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

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

The Group follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value.

The Group's financial liabilities include trade and other payables.

Subsequent measurement

a) Financial liabilities measured at amortised cost;

b) Financial liabilities subsequently measured at fair value through statement of profit and loss (FVTPL)

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Trade and other payables

These amounts represent liability for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derecognition

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

Offsetting financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

l) Property, plant and equipment

Recognition and measurement

Items of PPE are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of property, plant and equipment as at 1st April, 2016, the company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Capital work-in-progress is stated at cost. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work-in-progress and after commissioning the same is transferred / allocated to the respective item of PPE. Pre-operative costs, being indirect in nature, are expensed to the Statement of Profit and Loss as and when incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognized in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation methods, estimated useful lives and residual value.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives which are in accordance with Schedule II to the Companies Act, 2013. Depreciation for the year is provided on additions/deductions of the assets during the period from/upto the month in which the asset is added/deducted. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

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.

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

Classes of assets and their estimated useful lives:

Nature	As per Schedule II Companies Act, 2013	Useful Life adopted by company
Buildings	30	3-30
Plant and Machinery	8-20	5-15
Tools and Equipment	8-20	5-15
Electrical Installation	10	5-15
Furniture & Fixtures	10	5-15
Office equipment	5	3-15
Computer Hardware	3-6	3-10
Roads	3-10	3-10
Vehicles	8	8

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. 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 off).

m) Intangible assets

Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

Classes of assets and their estimated useful lives:

Nature	As per schedule II Companies Act, 2013	Useful Life adopted by company
Computer software	3-6	3-5
Copyright & Patents	20	5-15

n) Intangible assets under development

The Group expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as an intangible asset.

o) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

p) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

a) A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

b) A present obligation arising from the past events, when no reliable estimate is possible;

c) A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Final dividend on shares is 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 Group's Board of Directors.

q) Employees Benefits

(i) Short-term obligations

Liabilities for wages and salaries and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Long-term obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service and measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund , superannuation fund and national pension scheme

a) Defined benefit plans

The employees' gratuity fund scheme managed by HDFC Standard Life Insurance is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Remeasurements of net defined benefit liability which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of asset ceiling (if any excluding interest) are recognized in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of the contributions and benefit payments.Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

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 profit or loss. The Group recognizes gains and losses on settlement of a defined benefit plan when the settlement occurs.

b) Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds and employee state insurance corporation (ESIC) as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Superannuation Fund Contribution towards superannuation fund for qualifying employees as per the Group's policy is made to Life Insurance Corporation of India where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from contribution made on monthly basis.

National Pension Scheme (NPS)

The company's contribution to National pension Scheme are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

r) Dividend

The Group recognises a liability to pay dividend to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

t) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs up to two decimals as per the requirement of Schedule III, unless otherwise stated.

u) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

v) Derivative and Hedging Activities

The Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations associated with borrowings (cash flow hedges). When the Group opts to undertake hedge accounting, the Group documents, at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

w) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognized through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss on settlement.

When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Statement of Profit and Loss as the hedged item affects profit or loss. When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the Statement of Profit and Loss.

x) Share capital

The paid-up equity capital of the company as on 31st March, 2026, was ₹ 919.10 Lacs. The said shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

y) Foreign currencies

The Group's consolidated financial statements are presented in Indian Rupees, which is also the parent company's functional currency. For each entity/foreign operation, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency of each entity/foreign operation within the Group has been determined based on the primary economic environment in which that entity/ foreign operations operate in, the currency in which funds are generated, spent and retained by that entity.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Financial statements of foreign operations whose functional currency is other than Indian Rupees are translated into Indian Rupees as follows:

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

b) income and expenses for each income statement are translated at average exchange rates; and

c) all resulting exchange differences are recognised in other comprehensive income and accumulated

in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations. The portion of foreign currency translation reserve attributed to non-controlling interest is reflected as part of non-controlling interest.

z) Employee stock option scheme

In respect of stock options granted pursuant to the Company's stock options scheme, the excess of fair value of the option over the exercise price is treated as discount and accounted as employee compensation cost over the vesting period. The amount recognised as expense each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to Profit and Loss account.

Note 2 - II: Use of estimates and judgements

1. Use of estimates :

The preparation of Standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results.

The area involving critical estimates are :

- **Employee benefit plans**

  The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

- **Useful lives and residual value of property, plant and equipment**

  The Group reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in a change in depreciation expense in future periods.

- **Expected Credit Loss**

  In accordance with Ind AS 109, the Company follows 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

- **Income taxes**

  Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

2. Use of judgements:

Management also needs to exercise judgement in applying the Company's accounting policies.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. 1st April, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1st April, 2025 – The amendment relates to classification of liabilities as current or non current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. 1st April, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes forming part of the Consolidated Financial statements as at and for the year ended 31st March ,2026

Note 3 - Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land (Refer note i)	Buildings	Plant and Machinery	Plant and Machinery - R&D	Electrical Installations	Electrical Installations - R&D	Tools and Equipment	Tools and Equipment - R&D	Furniture and Fixtures	Office Equipment	Computer Hardware	Roads	Vehicles	Total	Capital work-progress
Gross carrying amount as 1st April, 2024	1,880.57	9.20	13,971.91	27,180.72	119.46	2,233.46	3.76	12,057.92	80.97	829.80	262.57	498.92	80.55	590.09	59,799.90	1,532.00
Additions	-	-	563.81	2,333.24	-	670.04	-	2,044.64	-	152.33	46.55	212.00	-	59.22	6,081.82	6,465.42
Disposals/Capitalisation	-	-	-	-	-	-	-	(3.70)	-	-	-	(7.41)	-	(24.73)	(35.83)	(6,261.45)
Cost as at March 31,2025	**1,880.57**	**9.20**	**14,535.72**	**29,513.96**	**119.46**	**2,903.50**	**3.76**	**14,098.87**	**80.97**	**982.12**	**309.13**	**703.51**	**80.55**	**624.60**	**65,845.90**	**1,735.96**
Accumulated Depreciation as at 1st April, 2024	-	-	1,760.01	10,238.81	21.51	909.34	0.69	2,181.21	8.76	258.40	153.72	324.36	51.91	348.46	16,257.18	-
Depreciation for the year	-	-	496.23	1,878.23	-	217.18	-	826.47	-	75.63	36.37	83.15	19.07	78.96	3,711.29	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	(7.04)	-	(23.49)	(30.53)	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.46)	(1.46)	
Accumulated Depreciation as at 31st March, 2025	**-**	**-**	**2,256.24**	**12,117.05**	**21.51**	**1,126.52**	**0.69**	**3,007.67**	**8.76**	**334.03**	**190.09**	**400.47**	**70.98**	**403.94**	**19,936.49**	**-**
Net carrying amount as at 31st March, 2025	**1,880.57**	**9.20**	**12,279.49**	**17,396.91**	**97.95**	**1,776.98**	**3.07**	**11,091.19**	**72.21**	**648.09**	**119.03**	**303.04**	**9.57**	**220.65**	**45,909.41**	**1,735.96**
Gross carrying amount as at 1st April, 2025	1,880.57	9.20	14,535.72	29,513.96	119.46	2,903.50	3.76	14,098.87	80.97	982.12	309.13	703.51	80.55	624.60	65,845.92	1,735.96
Additions	-	-	428.15	6,986.06	-	1,975.69	-	5,583.23	-	227.91	2.81	250.14	-	281.77	15,735.76	16,890.26
Disposals/Capitalisation	-	-	-	(569.71)	-	-	-	-	-	-	-	(107.07)	-	(21.08)	(697.86)	(15,745.96)
Cost as at March 31,2026	**1,880.57**	**9.20**	**14,963.87**	**35,930.31**	**119.46**	**4,879.18**	**3.76**	**19,682.10**	**80.97**	**1,210.03**	**311.94**	**846.58**	**80.55**	**885.29**	**80,883.82**	**2,880.26**
Accumulated Depreciation as at 1st April, 2025	-	-	2,256.24	12,117.05	21.51	1,126.52	0.69	3,007.67	8.76	334.03	190.09	400.47	70.98	403.94	19,937.96	-
Depreciation for the year	-	-	546.70	2,001.96	-	286.30	-	1,047.43	-	89.49	36.94	117.23	5.30	96.17	4,227.53	-
Disposals	-	-	-	(541.22)	-	-	-	-	-	-	-	(101.72)	-	(20.03)	(662.97)	-
Exchange differences	-	-	-	0.23	-	-	-	-	-	(3.30)	-	(8.09)	-	(5.80)	(16.96)	
Accumulated Depreciation as at 31st March, 2026	**-**	**-**	**2,802.94**	**13,578.01**	**21.51**	**1,412.82**	**0.69**	**4,055.10**	**8.76**	**420.22**	**227.03**	**407.89**	**76.28**	**474.27**	**23,485.56**	**-**
Net carrying amount as at 31st March, 2026	**1,880.57**	**9.20**	**12,160.93**	**22,352.30**	**97.95**	**3,466.36**	**3.07**	**15,627.00**	**72.21**	**789.80**	**84.91**	**438.69**	**4.27**	**411.02**	**57,398.26**	**2,880.26**

Notes:

(i) The company has acquired land for 99 years lease with an option to continue for another 99 years.

(ii) Refer note 38 for assets pledged as security.

(iii) Refer note 36 for disclosure of contractual obligations for acquisition of plant, property and equipment.

(iv) Capital Work in progress for the year ended March 31, 2026 and March 31, 2025 includes mainly plant & machinery, tools and equipments, building, electrification and preoperative expenses for New business projects expansion.

(v) The title deeds of all the immovable properties (other than properties where the company is the lessee and lease agreements are duly executed in favour of the lessee), are held in the name of the company.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 3A - Capital-Work-in Progress (CWIP) ageing for the year ended:

As at 31st March, 2026 :

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	2,866.90	13.36	-	-	2,880.26
Projects temporarily suspended	-	-	-	-	-
Total	**2,866.90**	**13.36**	**-**	**-**	**2,880.26**

As on 31st March, 2025:

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,735.96	-	-	-	1,735.96
Projects temporarily suspended	-	-	-	-	-
Total	**1,735.96**	**-**	**-**	**-**	**1,735.96**

The projects mentioned above are expected to be completed as per plan and there are no projects which are over due or has exceeded its cost compared to its original plan.

Note 3B - Right-of-use assets

(₹ in Lakhs)

	Buildings	Total
Gross carrying amount as 1st April, 2024	179.57	179.57
Additions during the year	22.02	22.02
Deductions / Adjustments during the year	-	-
Gross carrying amount as 31st March, 2025	**201.59**	**201.59**
Accumulated Depreciation as at 1st April, 2024	115.69	115.69
Depreciation for the year	37.20	37.20
Accumulated Depreciation as at 31st March, 2025	**152.89**	**152.89**
Net carrying amount as at 31st March, 2025	**48.70**	**48.70**
Gross carrying amount as at 1st April, 2025	201.59	201.59
Additions during the year	374.81	374.81
Deductions / Adjustments during the year	18.83	18.83
Cost as at March 31,2026	**557.57**	**557.57**
Accumulated Depreciation as at 1st April, 2025	152.89	152.89
Depreciation for the year	67.70	67.70
Deductions during the year	-	-
Translation exchange difference	2.63	2.63
Accumulated Depreciation as at 31st March, 2026	**223.22**	**223.22**
Net carrying amount as at 31st March, 2026	**334.35**	**334.35**

(i) Lease contracts entered by the Company majorly pertains for building taken on lease to conduct its business in the ordinary course.

(ii) Lease expenses of ₹ 327.88 lakhs and ₹ 80.08 lakhs recognised in statement of profit and loss in other expenses for the year ended 31-Mar-2026 and 31-Mar-2025 respectively towards short-term leases, lease of low value assets and variable lease rental not included in measurement of lease liability.

(iii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Company's operations.

(iv) Lease obligations, interest expense on lease, maturity profile of lease obligation and payment of lease obligations are disclosed appropriately in these financial statements.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 4 - Intangible assets

(₹ in Lakhs)

Particulars	Copyright & Patents	Computer Software	Computer Software - R&D	Total (A)	Intangible assets under development (B)	Total (A+B)
Gross carrying amount as 1st April, 2024	4,045.79	432.93	28.92	4,507.64	507.02	5,014.63
Additions	735.20	135.40	-	870.61	395.90	1,266.51
Capitalisation	-	-	-	-	(870.61)	(870.61)
Cost as at 31st March, 2025	**4,780.99**	**568.33**	**28.92**	**5,378.25**	**32.31**	**5,410.52**
Accumulated Depreciation as at 1st April, 2024	417.88	344.00	11.89	773.76	-	773.76
Amortisation charge for the year	435.15	32.01	-	467.15	-	467.15
Exchange Differences	(23.46)	-	-	(23.46)	-	(23.46)
Accumulated Depreciation as at 31st March, 2025	**829.58**	**376.00**	**11.89**	**1,217.47**	**-**	**1,217.47**
Net carrying amount as at March 31, 2025	**3,951.42**	**192.34**	**17.03**	**4,160.78**	**32.31**	**4,193.08**
Gross carrying amount as 1st April, 2025	4,780.99	568.33	28.92	5,378.25	32.31	5,410.52
Additions	81.61	147.72	-	229.33	423.33	652.66
Capitalisation	-	-	-	-	(229.33)	(229.33)
Cost as at 31st March, 2026	**4,862.60**	**716.05**	**28.92**	**5,607.58**	**226.31**	**5,833.84**
Accumulated Depreciation as at 1st April, 2025	829.58	376.00	11.89	1,217.47	-	1,217.47
Amortisation charge for the yaer	558.20	68.49	-	626.69	-	626.69
Exchange Differences	(286.79)	-	-	(286.79)	-	(286.79)
Accumulated Depreciation as at 31st March, 2026	**1,100.99**	**444.49**	**11.89**	**1,557.37**	**-**	**1,557.37**
Net carrying amount as at March 31, 2026	**3,761.61**	**271.56**	**17.03**	**4,050.21**	**226.31**	**4,276.47**

Note 4A - Intangible Assets under Development (IAUD) ageing Schedule for the year ended:

As at 31st March, 2026 :

(₹ in Lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	226.31	-	-	-	226.31
Projects temporarily suspended	-	-	-	-	-
Total	**226.31**	**-**	**-**	**-**	**226.31**

As on 31st March 2025:

(₹ in Lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	28.75	3.56	-	-	32.31
Projects temporarily suspended	-	-	-	-	-
Total	**28.75**	**3.56**	**-**	**-**	**32.31**

The projects mentioned above are expected to be completed as per plan and there are no projects which are over due or has exceeded its cost compared to its original plan.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 5 - Non-current investments

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in equity instruments (fully paid-up) at FVOCI (Unquoted)		
1,19,000 (31st March, 2025: 1,19,000) Shares of Panax Appliances Pvt Ltd fully paid up (PY : 119,000) Equity Shares of ₹10/- each	11.90	11.90
Less : Impairment allowances for investment	(11.90)	(11.90)
325 Shares of The Citizen Co-Operative Credit Society Ltd, fully paid up (31st March, 2025: 325) Equity shares of ₹ 25 each	0.08	0.08
Total Investment in Equity	**0.08**	**0.08**
Investment in Preference shares (fully paid up) at amortised cost (Unquoted)		
Class A 9,50,000 (31st March, 2025: 9,50,000) non convertible preference shares of Shaily UK Limited, fully paid up preference Shares of 1 GBP Each	27.04	27.04
Less : Impairment allowances for investment	(27.04)	(27.04)
	-	-
Total investment in preference shares	**-**	**-**
Total investments	**0.08**	**0.08**
Aggregate amount of unquoted investments	39.02	39.02
Aggregate amount of Impairment in value of investment	38.94	38.94

Note 6 - Other financial assets

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-current		
Unsecured considered good		
Security deposits	48.99	47.74
Total non-current	**48.99**	**47.74**
Current		
Unsecured considered good		
Derivative asset	-	16.16
Other financial assets	31.72	22.99
Total current	**31.72**	**39.16**

Note 7 - Other assets

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-current		
Unsecured, considered good unless stated otherwise		
Capital advances	4,115.65	2,328.81
Less : Provision for advances	(60.91)	(86.00)
Prepaid expenses	12.58	19.34
Balances with government authorities	127.80	127.80
Total Non-Current	**4,195.12**	**2,389.95**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 7 - Other assets

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current		
Unsecured, considered good unless stated otherwise		
Prepaid expenses	724.71	427.67
Advance to suppliers	833.60	1,353.77
Less : Provision for advances	(121.51)	(100.18)
Reimbursement of expense	-	26.79
Pre-spent CSR	6.60	8.50
Advance to employees	835.97	78.93
Balances with government authorities	3,586.46	3,429.63
Total Current	**5,865.83**	**5,225.12**

* Advance to suppliers & reimbursement of expense includes receivable from related parties of ₹ 9.5 lakhs & NIL (PY ₹ 9.5 lakhs & ₹ 26.79 respectively). Also advance to employees includes receivable ₹ 764.21 lakhs recivable from related party.

(₹ in Lakh)

Movement of Provision for advances (including capital advances)	As at 31st March, 2026	As at 31st March, 2025
Opening balance	(100.18)	(195.00)
(Addition) / Reversal during the year	(82.24)	8.82
Closing balance	**(182.42)**	**(186.18)**

Note 8 - Inventories (Valued at lower of cost and net realisable value)

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Raw materials and components	7,201.36	7,499.01
(Goods in transit ₹ 488.44 lakhs 31st March, 2026, ₹ 2,494.69 lakhs 31st March, 2025)		
Work-in-progress	3,038.74	2,095.70
Finished goods	2,847.89	2,814.62
Stores and spares	1,595.89	988.08
Packing materials	394.42	378.22
Total	**15,078.30**	**13,775.63**

The Company follows suitable provisioning norms for writing down the value of inventories towards slow moving and non moving inventory. Provision for the slow moving and non moving inventories created during the year is ₹ 183.76 lakhs (PY ₹ 200 Lakhs).

Refer note 38 for assets pledged as security.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 9 - Trade receivables

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivable considered good - unsecured*	21,856.29	17,325.65
Trade Receivable - Credit impaired	134.85	339.06
Less : Allowance for expected credit loss	(509.90)	(492.24)
Total	**21,481.24**	**17,172.47**

*Trade receivables includes receivable from related parties of NIL (PY ₹ 11.96 lakhs) refer note 33

Refer note 38 for assets pledged as security.

(₹ in Lakh)

Movement of Allowance for expected credit loss	As at 31st March, 2026	As at 31st March, 2025
Opening balance	(492.24)	(600.23)
(Addition) / Reversal during the year	(17.66)	107.98
Closing balance	**(509.90)**	**(492.24)**

As at 31st March, 2026 :

(₹ in Lakhs)

Particulars	Outstanding for following period 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	
(i) Undisputed Trade Receivables - Considered good	13,376.36	7,829.81	561.24	88.88	-	-	21,856.29
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	62.31	25.34	47.20	-	134.85
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk							
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	**13,376.36**	**7,829.81**	**623.55**	**114.22**	**47.20**	**-**	**21,991.14**

As at 31st March, 2025 :

(₹ in Lakhs)

Particulars	Outstanding for following period 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	
(i) Undisputed Trade Receivables - Considered good	12,889.77	3,778.60	520.99	136.21		-	17,325.57
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	274.96	27.74	36.36	-	339.06
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk							
(vi) Disputed Trade Receivables - Credit Impaired							
Total	**12,889.77**	**3,778.60**	**795.95**	**163.95**	**36.36**	**-**	**17,664.72**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 10 - Cash and cash equivalents

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Balances with banks		
In current accounts	1,989.59	1,467.77
In EEFC accounts	85.58	437.44
b) Cash on Hand	4.15	3.17
Total	**2,079.32**	**1,908.39**

Note 11 - Bank balances other than cash and cash equivalents

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
In earmarked accounts		
Unpaid dividend accounts	17.39	1.22
Balances held as margin money (less than 12 months but more than 3 months maturity)*	420.57	404.21
Total	**437.96**	**405.43**

* Balance held as margin money are pertaining to deposits marked as lien against letter of credit and bank guarantee.

Note 12 - Loans

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current		
Loan to Employees (Unsecured, considered good)	39.59	34.28
Total	**39.59**	**34.28**

*Above loan is given for the purpose of working capital and capital expenditure.

Note 13 (a) - Share capital

The authorised, issued, subscribed and fully paid-up share capital comprises of the following:

(₹ in Lakh)

(i) Authorised share capital	Number of shares	Amount
As at 31st March, 2026 (Equity shares of ₹ 2 each)	8,00,00,000	1,600.00
As at 31st March, 2025 (Equity shares of ₹ 2 each)	8,00,00,000	1,600.00

(₹ in Lakh)

(ii) Issued,Subscribed and fully paid up	Number of shares	Amount
As at 31st March, 2026 (Equity shares of ₹ 2 each)*	4,59,55,093	919.10
As at 31st March, 2025 (Equity shares of ₹ 2 each)*	4,59,55,093	919.10

(iii) Reconciliation of number of shares

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares				
Opening balance	4,59,55,093	919.10	4,58,67,510	917.35
New shares issues (ESOP)	-	-	87,583	1.75
Closing balance	**4,59,55,093**	**919.10**	**4,59,55,093**	**919.10**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

(iv) Terms and rights attached to equity shares

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company.

The distribution will be in proportion to the number of equity shares held by the shareholders.

(v) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of shares	% Holding	Number of shares	% Holding
Mahendra Sanghvi	33,31,675	7.25%	33,31,675	7.25%
Tilottama Sanghvi	64,38,575	14.01%	64,38,575	14.01%
Laxman Sanghvi	23,32,120	5.07%	23,82,120	5.18%
Jayessh Shah	38,11,155	8.29%	38,11,155	8.29%
Lighthouse India Fund III, Limited	-	-	25,35,990	5.52%
Smallcap World Fund, Inc	34,12,855	7.43%	-	-
Motilal Oswal Small Cap Fund	21,10,875	4.59%	42,58,492	9.27%

(vi) Disclosures of Shareholding of Promoters - Shares held by the Promoters:

Promoter name	As at 31st March, 2026		As at 31st March, 2025		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Mahendra Sanghvi	33,31,675	7.25%	33,31,675	7.25%	0.00%
Laxman Sanghvi	23,32,120	5.07%	23,82,120	5.18%	-0.11%
Tilottama Sanghvi	64,38,575	14.01%	64,38,575	14.01%	0.00%
Amit Sanghvi	12,03,290	2.62%	13,03,290	2.84%	-0.22%
Jayessh Shah	38,11,155	8.29%	38,11,155	8.29%	0.00%
Kalpana Sanghvi	3,76,500	0.82%	3,76,500	0.82%	0.00%
Ramesh Shah	55,735	0.12%	55,735	0.12%	0.00%
Purnima Shah	50,040	0.11%	50,040	0.11%	0.00%
Lax Nagda	10,43,510	2.27%	10,43,510	2.27%	0.00%
Shaily Sanghvi	13,00,000	2.83%	13,00,000	2.83%	0.00%
Total	**1,99,42,600**	**43.40%**	**2,00,92,600**	**43.72%**	

(vii) No equity shares are issued as bonus shares or for consideration other than cash or have been bought back in previous five financial years

(viii) Shares reserved for issuance under stock option plan of the company "Shaily Employee Stock Option Plan 2019" (ESOP 2019)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
"Shaily Employee Stock Option Plan 2019" (ESOP 2019)	5,83,006	11.66	6,70,589	13.41
Equity shares issued under stock option plan	-	-	87,583	1.75
Shares reserved at year end	**5,83,006**	**11.66**	**5,83,006**	**11.66**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 13 (b) - Other Equity

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Securities premium		
Opening balance	18,161.98	18,088.52
Addition During the Year	-	73.46
Closing balance	**18,161.98**	**18,161.98**
(b) Capital reserve		
Opening balance	92.91	92.91
Closing balance	**92.91**	**92.91**
(c) General reserve		
Opening balance	191.58	191.58
Closing balance	**191.58**	**191.58**
(d) Share based payment reserve		
Opening balance	213.38	109.71
Addition during the year	431.28	177.13
Utilised	-	(73.46)
Closing balance	**644.66**	**213.38**
(e) Retained earnings		
Opening balance	34,908.63	26,398.62
Profit for the year	16,991.21	9,311.90
Dividend paid	(919.10)	-
Item of other comprehensive income	(320.73)	(458.68)
Closing balance	**50,660.01**	**34,908.63**
(e) Cash flow hedge reserve		
Opening balance	(0.57)	(6.18)
Addition during the year	0.57	5.61
Closing balance	**-**	**(0.57)**
(f) Currency translation reserve		
Opening balance	281.77	124.77
Addition during the year	715.47	157.00
Closing balance	**997.24**	**281.77**
Total	**70,748.39**	**53,849.68**

The Board of Directors in their meeting held on May 19, 2026 recommended a final dividend of ₹ 3 per equity share for the financial year ended March 31, 2026. The payment is subject to the approval of shareholders in the AGM of the Company and if approved, would result in a net cash outflow of approximately ₹ 1,378.65 Lakhs.

For details of nature and purpose of each reserve, please refer Statement of changes in equity.

Note 14 - Non-Current borrowings

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
Term loans:		
Rupee currency from banks	2,734.56	4,005.86
Total	**2,734.56**	**4,005.86**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

(₹ in Lakh)

	Maturity and terms of repayment	Coupon Rate	As at 31st March, 2026	As at 31st March, 2025
Term loans				
Rupee Currency		8.70% to 9.15% PY 9.14% to 9.45%	4,014.04	6,859.13
HDFC Term loan	TL-3 Quarterly installment of ₹ 166.67 lakhs till Jan 2025 TL-4 Quarterly installment of ₹ 111.11 lakhs from Apr 2021 till Jul 2025 TL New - Quarterly installment of ₹ 83.31 lakhs from Apr 2021 till Jul 2025 GECL WCDL Loan - Monthly installment of ₹ 30.94 lakhs from Apr 2022 till Mar 2026 TL New - Quarterly installment of ₹ 274.44 lakhs from May 2025 till Aug 2029			
State Bank of India	TL-2 Quarterly installment of ₹ 190 lakhs from Dec 2021 to Mar 2022, remaining quarterly installments of ₹195 lakhs from Jun 2022 to Mar 2026 TL 8 Cr - Quarterly installment of ₹ 40 lakhs from Mar 2022 till Dec 2026 GECL WCDL Loan - Monthly installment of ₹ 12.34 lakhs from April 2023 till Sep 2026			
Foreign Currency				
Standard Chartered Bank	ECB-1 Quarterly installment of Euro 1.25 lakhs From May 2021 till Feb 2025 ECB-2 Quarterly installment of Euro 1.56 lakhs from Aug 2021 till May 2025	3 months EURIBOR + 3% March 31, 2025: 3 months EURIBOR + 3%	-	144.26
Total long-term borrowings			**4,014.04**	**7,003.39**
Less: Current maturities of long-term borrowings (included in note 15)			(1,279.48)	(2,997.53)
Total non-current borrowings			**2,734.56**	**4,005.86**

Security

Term loans from banks are secured by first pari passu charge over entire property, plant and equipments of the Company and second pari passu charge over entire current assets of the company.

Foreign Currency Loan from Bank is secured by first pari passu charge with existing term lender over entire property, plant and equipment of the Company and second pari passu charge on all the current assets with all existing working capital lenders.

Also refer to Note No. 38 for further details.

Note 15 - Current borrowings

Employee Benefit Provisions

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loans repayable on demand (Secured)		
From banks		
Cash credit /Packing credit	12,201.66	10,816.49
Current maturities of long-term borrowing (Refer note 14) (Including interest accrued ₹ 91.09 lakhs and in previous year ₹ 85.65 lakhs)	1,370.58	3,083.18
Bill discounting	1,096.53	862.16
Total	**14,668.77**	**14,761.83**

Cash credit /Packing credit and bill discounting facilities from banks are secured by hypothecation of all current assets of the Company, present and future, such as inventories,receivables, loans and advances, etc. Cash credit /Packing credit and bill discounting are further secured by second pari passu charges over entire property, plant and equipments of the Company.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 38.

Note 16 - Provisions

Employee Benefit Provisions

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-Current		
Provision for compensated absences	499.37	393.90
Total Non-Current	**499.37**	**393.90**
Current		
Provision for Gratuity	631.58	527.62
Provision for compensated absences	258.93	181.02
Total Current	**890.51**	**708.64**

Defined contribution plans

The Company makes Provident Fund and Superannuation Fund Contributions to defined contribution plans for qualifying employees. The Provident fund plan is operated by the Regional provident fund Commissioner. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary (i.e @12% is employer's contribution and @12% employee's contribution) as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company recognised for year ended 31st March, 2026 ₹ 729.6 lakhs (PY ₹ 483.19 lakhs) for Provident Fund contributions, contribution towards Employee State Insurance scheme and other funds in the Statement of Profit and Loss.

Defined benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.

Other long term benefits

Compensated absences

Provision for compensated absences covers the liability for sick and earned leave. Compensated absences that are not expected to occur within twelve months after the end of the period in which the employee renders the related services are measured at the present value of expected future payments to be made in respect of such services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The amount recognised towards compensated absenses in statement of Profit and Loss during the year is ₹ 299.51 lakhs (PY ₹ 348.13 lakhs)

Valuations of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

(ii) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(iv) Investment Risk : The Company has funded with HDFC Insurance fund, therefore there is no significant Investment risk.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Gratuity

(₹ in Lakh)

Particulars	As at 31st March, 2026 Gratuity (Funded)	As at 31st March, 2025 Gratuity (Funded)
(i) Change in defined benefit obligation		
Balance at the beginning of the year	1,552.25	959.38
Adjustment of:		
Current Service Cost	104.09	60.32
Past Service Cost	89.77	-
Interest Cost	81.93	59.50
Actuarial (gains) losses recognised in Other Comprehensive Income:		
- Change in Financial Assumptions	-	182.46
- Change in Demographic Assumptions	3.54	-
- Experience Changes	410.15	318.98
Benefits Paid	(20.73)	(28.38)
Balance at the end of the year	**2,221.00**	**1,552.25**
(ii) Change in fair value of assets		
Balance at the beginning of the year	527.62	959.38
Re-measurements due to:		
Actual Return on plan excluding amounts included in interest income	(14.93)	42.77
Interest income	49.99	50.86
Contribution by the employer	1,047.46	-
Benefits Paid	(20.73)	(28.38)
Balance at the end of the year	**1,589.42**	**1,024.63**
(iii) Net asset / (liability) recognised in the Balance sheet		
Present value of defined benefit obligation	2,221.00	1,552.25
Fair value of plan assets	(1,589.42)	(1,024.63)
Net (asset) / liability in the Balance sheet	**631.58**	**527.62**
(iv) Expenses recognised in the statement of Profit and loss		
Current service cost	104.09	60.32
Past Service Cost *	89.77	-
Interest cost	31.94	8.63
Total expense charged to statement of Profit and loss	**225.80**	**68.95**
(v) Re-measurements recognised in other comprehensive Income (OCI):		
Changes in financial assumptions	-	182.46
Changes in demographic assumptions	3.54	-
Experience adjustments	410.15	318.98
Actual return on plan assets less interest on plan assets	14.93	(42.77)
Amount recognised in other comprehensive Income (OCI)	**428.61**	**458.67**

*Past service is due to the change in salary components implemented in line with the new labour code .

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value of funded obligations	2,221.00	1,552.25
Fair value of plan assets	(1,589.42)	(1,024.63)
(Surplus) / Deficit of funded plan	631.58	527.62
Unfunded plan	-	-
(Surplus) / Deficit of Gratuity plan	**631.58**	**527.62**

Gratuity

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Insurer managed funds (funded with HDFC Insurance fund)	(1,589.42)	(1,024.63)
Total	**(1,589.42)**	**(1,024.63)**

Major category of plan assets as a % of plan assets :

Particulars	As at 31st March, 2026	As at 31st March, 2025
Debentures/Bonds	56.60%	31.60%
Govt Securities	38.42%	65.93%
Deposits , Money Market Securities and Net Current Assets	4.98%	2.47%
Total	**100.00%**	**100.00%**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Gratuity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate	7.15%	6.65%
Salary escalation rate	7.00%	6.50%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

The Expected contribution for the next year in ₹ 133.01 lacs.

Weighted average duration of Defined Benefit Obligation as at valuation date is 5.82 years (for PY 6.76 years).

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakh)

Particulars	Change in assumption		Impact on defined benefit obligation Increase /(decrease) in assumption	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Discount rate	+/ -0.5%	+/ -0.5%	(56.02) / 60.12	(45.68) / 49.04
Salary escalation rate	+/ -0.5%	+/ -0.5%	63.56 / (59.63)	52.25 / (49.00)
Withdrawal Rate	+/ -10%	+/ -10%	(3.92) / 4.82	(4.30) / 4.98

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes forming part of the Consolidated Financial statements
as at and for the year ended 31st March, 2026

Maturity Analysis (₹ in Lakh)

	Year 1	Year 2	Year 3-5	Year 6-10
31st March, 2026				
Defined Benefit Obligation	1,084.47	81.43	300.47	584.03
31st March, 2025				
Defined Benefit Obligation	640.36	53.85	211.40	471.61

Compensated absences
The summary of the assumptions used in the valuations is given below:

Financial Assumptions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount Rate (p.a)	7.15%	6.65%
Salary Growth Rate (p.a)	7.00%	6.50%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

Leave Availment & Encashment Rate

Particulars	As at 31st March, 2026	As at 31st March, 2025
Leave Availment Rate (p.a.)	1.00%	1.00%
Encashment in service (p.a.)	0.00%	0.00%

Note 17 - Other liabilities
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-Current		
Deferred income	4.54	6.34
Total Non-Current	**4.54**	**6.34**
Current		
Advance from customers	9,142.88	4,102.60
Deferred income	1.80	1.80
Statutory dues	257.61	253.50
Total Current	**9,402.29**	**4,357.89**

Note 18 - Trade payables
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) total outstanding dues of micro enterprises and small enterprises	1,919.76	1,594.88
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	6,667.41	8,308.34
Total	**8,587.17**	**9,903.22**

*Trade payables includes payable to related parties of ₹ 20.66 lakhs (PY ₹ 20.03 lakhs) refer note 33

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

(i) Trade Payable ageing schedule for the year ended:

As at 31st March, 2026 :

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,251.18	656.00	7.71	-	4.87	1,919.76
(ii) Others**	4,183.12	2,385.19	21.30	0.03	77.77	6,667.41
Total	**5,434.30**	**3,041.19**	**29.01**	**0.03**	**82.64**	**8,587.17**

As at 31st March, 2025 :

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,390.88	195.00	4.00	5.00	-	1,594.88
(ii) Others**	6,449.92	1,670.43	107.00	5.00	76.00	8,308.34
Total	**7,840.80**	**1,865.43**	**111.00**	**10.00**	**76.00**	**9,903.22**

** This also includes accruals

Supplier financing related details :

The Group participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from a bank. Under the arrangement, the bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Group and the Group repays the bank at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and provide the willing suppliers early payment terms, compared with the related invoice payment due date.

The Group has not derecognised the original trade payables relating to the arrangement because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement.

From the Group's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide participating suppliers with the benefit of early payment. Additionally, the Group does not incur any additional interest towards the bank on the amounts due to the suppliers. The Group therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables.

All payables under the arrangement are classified as current as at 31st March, 2026 and 2025. Additional information about the Group's trade payables is provided in the table below.

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025#
Carrying amount of financial liabilities subject to supplier finance arrangement		
Presented within trade payables	141.42	
- of which suppliers have received the payment from the bank	-	
Range of payment due dates	30-120 days	
Comparable trade payables (days after invoice date)	30-110 days	

The Group applied transitional relief available under Supplier Finance Arrangements (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative information in the first year of adoption)

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Non cash changes :

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements. The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Group and their principal nature remains operating—i.e., payments for the purchase of goods and services. The payments to a supplier by the bank of ₹ NIL are considered non-cash transactions.

Financial Assumptions

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2,260.66	1,764.25
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	8.66	6.96
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	21,811.95	11,247.80
- Amount of principal payments made to the supplier beyond the appointed day	21,811.95	11,247.80
- Amount of interest payments made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	49.29	49.00
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	57.95	55.96
(vi) The amount of further interest due and payable even in the succeeding year, 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	228.28	170.33

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

Note 19 - Other financial liabilities

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current		
Unpaid dividends	17.39	1.22
Capital creditors	1,449.49	590.11
Trade/Security deposit received	1.80	0.79
Accrued expense	-	8.98
Employee liabilities	751.30	651.25
Deferred premium on derivative instrument	-	1.45
Derivative liability	-	0.75
Total Current	**2,219.98**	**1,254.56**

Capital creditors includes total outstanding dues of micro enterprises and small enterprises of ₹ 340.90 lakhs (PY ₹ 169.37 lakhs).

Notes forming part of the Consolidated Financial statements
as at and for the year ended 31st March, 2026

Note 20 - Revenue from operations
(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Sale of products	89,418.30	72,657.34
Sale of services	8,665.12	5,576.07
Other operating revenue		
Sale of scrap	156.56	150.24
Export incentives	368.37	293.33
Others.	458.37	2.79
Total other operating revenue	983.30	446.36
Total	**99,066.72**	**78,679.77**

Note 21 - Other income
(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest Income on deposits	25.29	66.82
Profit on sale of Asset	3.72	5.29
Net gain on foreign currency transactions	629.91	93.26
Interest component on account of Fair valuation of loan*	21.29	61.18
Other non-operating income	98.01	5.53
Total	**778.22**	**232.08**

*Interest income is recognised using effective interest rate.

Note 22(a) - Cost of material consumed
(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Opening stock	7,877.23	4,221.57
Add:Purchases	43,313.32	46,620.66
Less :Closing stock	(7,595.79)	(7,877.23)
Total	**43,594.76**	**42,964.99**

Note 22(b) - Changes in inventories of finished goods and work in progress
(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Inventories at the end of the year		
Finished goods	2,847.89	2,814.62
Work in progress	3,038.74	2,095.70
	5,886.63	**4,910.32**
Inventories at the beginning of the year		
Finished goods.	2,814.62	1,771.24
Work in progress.	2,095.70	1,752.19
	4,910.32	**3,523.44**
Net (increase) /decrease	**(976.31)**	**(1,386.88)**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 23 - Employee benefit expenses

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Salaries, wages and bonus	9,778.44	7,207.56
Contributions to provident and other funds	729.60	483.19
Staff welfare expenses	457.20	353.12
Total	**10,965.24**	**8,043.87**

Note 24 - Finance costs

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest expense on:		
Borrowings	1,507.95	1,550.81
Interest component on account of Fair valuation of loan*	6.35	48.49
Interest expense on lease	11.23	6.05
Others	61.36	89.27
Total	**1,586.89**	**1,694.62**

*Interest expense is recognised using effective interest rate.

Note 25 - Depreciation and amortisation expense

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Depreciation of property, plant and equipment	4,227.53	3,711.29
Amortisation of intangible assets	626.69	467.16
Depreciation on right to use assets	67.70	37.20
Total	**4,921.92**	**4,215.65**

Note 26 - Other expenses

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Stores and spares consumed	2,182.91	735.70
Subcontracting and labour charges	3,538.63	2,439.24
Repairs & maintenance		
- Building	136.87	92.68
- Plant & Machinery	567.86	388.44
- Others	154.27	181.92
Rent (Refer note 28)	327.88	80.08
Rates and taxes	214.23	159.07
Insurance	284.71	236.30
Conveyance expense	66.26	50.13
Postage and telephone expense	70.06	58.76
Printing and stationery	201.68	163.97
Vehicle expense	93.20	108.08
Legal and professional	1,269.58	737.88

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 26 - Other expenses

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Directors' sitting fees	39.00	41.50
Sales commission and Fees	265.36	261.07
Payments to auditors	52.25	40.17
Travelling expense	821.43	501.25
Carriage outwards	1,295.76	495.30
Advertisement	496.24	351.68
Corporate social responsibility	116.04	90.10
Royalty	690.79	73.30
Expected credit loss allowance	17.66	(107.98)
Testing fees	380.13	182.84
Bank charges	103.57	88.99
House Keeping Expense	186.36	161.02
Provision for advances (refer note 7)	(3.76)	(8.82)
Miscellaneous expenses	622.63	700.02
Total	**14,191.60**	**8,302.68**

Note 27 - Taxation

27 (a) - Income tax expense

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Current tax		
Tax expense for current year	4,358.25	2,279.77
Total current tax expense	**4,358.25**	**2,279.77**
Deferred tax		
Defered tax (benefit) / expense pertaining to current year	911.90	335.86
Total deferred tax expense/(benefit)	911.90	335.86
Total income tax expense recognised in current year	**5,270.14**	**2,615.63**

Income Tax Recognised in other comprehensive Income

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Deferred Tax on items recognised in other comprehensive Income		
- Remeasurements of post employment benefit obligations - Items that will not be reclassified to profit or loss	107.88	115.45
- Effective portion of gains on hedging instrument in cash flow hedges - Items that will be reclassified to profit or loss	(0.19)	(1.89)
- Exchange differences in translating the financial statements of foreign operations - Items that will be reclassified to profit or loss	(240.63)	(52.80)
Total current tax expense	**(132.93)**	**60.76**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

27 (b) - Reconciliation of Estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Profit for the period	22,261.36	11,927.53
Statutory tax rate applicable to Shaily Engineering Plastics Limited	25.17%	25.17%
Tax expense at applicable tax rate	**5,602.74**	**3,001.92**
Tax effects of following in calculating taxable income:		
Additional deduction claimed under Income tax Act, 1961	-	-
Income taxed at different rate	(300.69)	(507.87)
Expenses not allowed as per Income tax Act, 1961	46.14	37.84
Others	(78.05)	83.74
Income tax expense	**5,270.14**	**2,615.63**
Effective tax rate	**23.67%**	**21.93%**

27 (c) - Deferred tax liabilities

The balance comprises temporary differences attributable to:

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred tax liabilities:		
Difference between accounting and tax written down value of PPE & Intangible assets	4,031.46	3,151.39
Other timing differences	339.44	-
Total deferred tax liabilities	**4,370.90**	**3,151.39**
Deferred tax assets:		
Adjustment on account of provision for expected credit loss	260.78	329.31
Other timing differences	706.70	463.34
Total deferred tax assets	**967.48**	**792.65**
Net deferred tax liabilities	**3,403.42**	**2,358.74**

Movement in deferred tax balances

(₹ in Lakh)

Particulars	As at 31st March, 2025	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehesive income	Adjustment	As at 31st March, 2026
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	3,151.39	880.07	-	-	4,031.46
Other timing difference	98.80	-	240.63	-	339.44
Total deferred tax liabilities	**3,250.20**	**880.07**	**240.63**	**-**	**4,370.90**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	329.31	(68.53)	-	-	260.78
Other timing differences	562.15	36.85	107.69	-	706.70
Total deferred tax assets	891.46	(31.68)	107.69	-	967.48
Net deferred tax liabilities	**2,358.74**	**911.75**	**132.94**	**-**	**3,403.42**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

(₹ in Lakh)

Particulars	As at 31st March, 2024	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehensive income	Adjustment	As at 31st March, 2025
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	2,664.03	487.36	-	-	3,151.39
Other timing difference	56.74	(10.74)	52.80	-	98.80
Total deferred tax liabilities	**2,720.77**	**476.62**	**52.80**	**-**	**3,250.20**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	308.39	20.92	-	-	329.31
Other timing differences	328.74	119.85	113.56	-	562.15
Total deferred tax assets	**637.13**	**140.77**	**113.56**	**-**	**891.46**
Net deferred tax liabilities	**2,083.65**	**335.85**	**(60.76)**	**-**	**2,358.74**

Note 28 - Lease

The Group's significant leasing arrangements are mainly in respect of office & godown. Leases typically run in a range from 11 months to 5 years, with an option to renew the lease after that date. The Company previously used to classify leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company.

"The Company has adopted Ind AS 116 "Leases" with effect from 1st April 2019 i.e. date of transition with modified prospective approach. The Company has elected to account for short-term and low value leases using the practical expedient as given in the standard. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss. The weighted average incremental borrowings rate of 7.86% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. Company's short term and low value consists of office premises taken on lease for a period of 11 months months which are renewable by mutual consent or mutually agreed terms. The aggregate of such lease rentals are charged as "Rent".

The Company used following practical expedients when applying Ind AS 116 :

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

Accordingly, Right-of-Use asset and lease liability of ₹ 374.81 Lakhs has been recognised for 31st March, 2026.

A. Amount recognised in Statement of Profit and Loss

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest on lease liabilities	11.23	6.05
Amortisation of ROU Assets	67.70	37.20
Expenses relating to short term and low value leases charged as Rent	327.88	57.78

B. Amount recognised in the Statement of Cash Flows

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Interest component	11.23	6.05
Lease component	78.47	44.37

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

C. Maturity Analysis of Lease Liabilities

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Maturity Analysis - Undiscounted		
Less than one year	103.03	42.71
One to five years	261.49	15.08
More than five years	-	-

(₹ in Lakh)

Lease liabilities included in Balance Sheet	For year ended 31st March, 2026	For year ended 31st March, 2025
- Current	93.60	39.72
- Non Current	244.36	14.53

D. Movement of Right of Use Assets

Forming part of note to “Right of Use Assets” (refer note 3B).

E. Movement of Lease Liability

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Balance as at the beginning	54.24	70.55
Addition	374.81	22.02
Deduction	(18.84)	-
Finance cost accrued	11.23	6.05
Payment of lease liabilities	(83.48)	(44.37)
Balance as at the end	**337.96**	**54.24**

Note 29 - Financial Instruments

29 a) Fair Value Measurement - Financial instruments by category

(₹ in Lakh)

Particulars	Amortised cost	
	As at 31st March, 2026	As at 31st March, 2025
Financial assets		
Trade receivables	21,481.24	17,172.47
Cash and cash equivalents	2,079.32	1,908.39
Bank balances other than cash and cash equivalent above	437.96	405.43
Investment in Preference shares (Gross of allowance for impairment)	27.04	27.04
Loans and advances to employees	39.59	34.28
Other Financial Assets	80.71	70.73
Total financial assets - At amortised cost	**24,145.85**	**19,618.35**
Financial liabilities		
Borrowings	17,403.32	18,767.69
Trade Payables	8,587.17	9,903.22
Lease liabilities	337.96	54.25
Other Financial Liabilities	2,219.98	1,253.82
Total financial liabilities - At amortised cost	**28,548.44**	**29,978.97**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

(₹ in Lakh)

Particulars	FVOCI	
	As at 31st March, 2026	As at 31st March, 2025
Financial assets		
Equity shares of Panax Appliances Pvt. Ltd.(Gross of allowance for impairment)	11.90	11.90
Equity shares of Citizen Co-operative Society Ltd	0.08	0.08
Derivative Asset	-	16.16
Total financial assets - At FVOCI	**11.98**	**28.14**
Financial liabilities		
Derivative liability	-	0.75
Total financial liabilities - At FVOCI	**-**	**0.75**

29 b) Fair Value Measurement - Hierarchy

Financial assets and liabilities measured at fair value -recurring fair value measurements

(₹ in Lakhs)

As at 31st March, 2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6	-	-	-	-
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets		**-**	**-**	**11.98**	**11.98**
Financial liabilities					
Derivative Instruments					
Designated as Cash Flow Hedge	19	-	-	-	-
Total Financial liabilities		**-**	**-**	**-**	**-**

(₹ in Lakhs)

As at 31st March, 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6	-	16.16	-	16.16
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets		**-**	**16.16**	**11.98**	**28.14**
Financial liabilities					
Derivative Instruments					
Designated as Cash Flow Hedge	19	-	0.75	-	0.75
Total Financial liabilities		**-**	**0.75**	**-**	**0.75**

There is no movement in Level 3 investment.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values.

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise 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 unlisted equity securities, preference shares and debentures are included in level 3.

29 c) Fair Value Measurement - Technique

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

The fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

29 d) Derivative Financial Instruments

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

(i) The details of various outstanding derivative financial instruments are given below : (₹ in Lakh)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Assets	Liabilities	Assets	Liabilities
Derivatives designated in cash flow hedges				
- Option contract	-	-	16.16	-
- Interest rate swap	-	-	-	0.75
Total designated derivatives	**-**	**-**	**16.16**	**0.75**

(ii) The details of the gross notional amounts of derivative financial instrument outstanding :

Particulars	Underlying	As at 31st March, 2026	As at 31st March, 2025
- Option contract	EUR/INR	-	€ 1.56 Lakhs
- Interest rate swap	Floating to Fixed	-	€ 1.56 Lakhs

(iii) The movement of cash flow hedges in other comprehensive income is as follows : (₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	(0.57)	(6.18)
Change in the fair value of effective portion of cash flow hedges	0.75	7.51
Deferred tax on fair value of effective portion of cash flow hedges	(0.19)	(1.89)
Balance at the end of the year	**-**	**(0.57)**

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 30 -Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management framework, through which management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. 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 Risk Management Framework of the Company is enforced by the finance team and experts of business division that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and

The finance department is responsible to maximise the return on companies internally generated funds.

30 a) Management of credit risks

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited. This is due to the Company's policy of strict credit worthiness tests it performs for all its sales. Company deals with limited number of customers with highest credit ratings. Company acts as institutional supplier to its customers without any channel distribution model. Most of the company products are plastic moulded components, specially created as per the designs of its customer and are either semi finished goods or critical to business operations of its customers, making it business prudent for customers for not to dispute or delay payment of any receivable to the Company. All trade receivables are regularly reviewed and assessed for default on an ongoing basis.

Expected credit loss for trade receivable under simplified approach (₹ in Lakh)

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
Year ended 31st March, 2026							
Gross carrying amount	13,376.35	6,002.73	1,827.08	230.92	392.62	161.43	21,991.14
Expected credit losses (Loss allowance provision)	(85.15)	(63.29)	(200.84)	(25.76)	(62.31)	(72.55)	(509.90)
Carrying amount of trade receivables	**13,291.20**	**5,939.44**	**1,626.24**	**205.16**	**330.31**	**88.88**	**21,481.24**
Year ended 31st March, 2025							
Gross carrying amount	12,889.86	3,400.05	378.56	151.69	644.25	200.31	17,664.72
Expected credit losses (Loss allowance provision)	(63.36)	(48.23)	(30.80)	(10.79)	(274.96)	(64.10)	(492.24)
Carrying amount of trade receivables	**12,826.50**	**3,351.81**	**347.76**	**140.91**	**369.29**	**136.21**	**17,172.47**

Cash and cash equivalents and Other bank balances

The Company held cash and cash equivalents and other bank deposits as at 31st March, 2026 ₹ 2,517.27 lakhs (31st March, 2025 ₹ 2,313.82 lakhs). The cash and cash equivalents and other bank balances are held with banks with good credit ratings.

Loans and advances

Loans and advances mainly consist security deposit, loan to employees and loan to companies. The Company does not expect any losses from nonperformance by the counter-parties.

Notes forming part of the Consolidated Financial statements
as at and for the year ended 31st March, 2026

30 b) Management of liquidity risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence. The Group has access to a sufficient sources of fund to meet its financials liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

Expected credit loss for trade receivable under simplified approach (₹ in Lakh)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March, 2026				
Borrowings	17,403.32	16,095.91	3,228.56	19,324.46
Trade Payables	8,587.17	8,587.17	-	8,587.17
Lease liabilities	337.96	93.60	244.36	337.96
Other Financial liabilities	2,219.98	2,219.98	-	2,219.98
	28,548.44	**26,996.66**	**3,472.92**	**30,469.58**
As at 31st March, 2025				
Borrowings	18,767.69	16,082.23	5,053.67	21,135.89
Trade Payables	9,903.22	9,903.22	-	9,903.22
Lease liabilities	54.25	39.72	14.53	54.25
Other Financial liabilities	1,253.82	1,253.82	-	1,253.82
	29,978.97	**27,278.98**	**5,068.20**	**32,347.18**

As described in Note 18, the Company also participates in a supplier finance arrangement with the principal purpose of facilitating efficient payment processing of supplier invoices and providing the willing suppliers early payment terms compared with the related invoice payment due date. The arrangement allows the Company to centralise payments of trade payables to the bank rather than paying each supplier individually.

From the Company's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; on average the payment terms for invoices relating to participating suppliers are extended by 5 days compared with the normal terms agreed with other suppliers that are not participating (see Note 18).

30 c) Management of market risks

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of a financial asset. The value of a financial asset may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including receivables, payables and borrowings denominated in foreign currency. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the Management of, these risks is explained below:

30 d) (i) Foreign currency risk

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the functional currency '(INR) of the Company. The management does not undertake any hedging activities or otherwise to offset or mitigate the foreign currency and interest rate risk that it is exposed to other than the hedging EUR ECB loan. The Company undertakes significant of its foreign currency transaction in United States Dollar ('USD'). To the extent of lower of exports and imports that the Company undertakes in USD, the Company has a natural hedge against the exposure to foreign currency risks. However the Company has taken a EUR ECB Loan for which Currency Call Hedge has been undertaken.

Notes forming part of the Consolidated Financial statements as at and for the year ended 31st March ,2026

The Company is exposed to foreign currency risks on accounts of foreign currency denominated receivables and payables as below:

(Amount in foreign & rupee currency in Lakhs)

As at 31st March, 2026	USD	INR	EURO	INR	HKD	INR	GBP	INR	AED	INR	SGD	INR
Financial assets												
Trade receivable	52.98	5,014.90	17.94	1,955.16	-	-	16.86	2,118.02	46.22	1,187.34	-	-
Bank balance in EEFC accounts	0.90	85.58	-	-	-	-	8.85	1,111.75	26.03	668.61	-	-
Loan to Shaily Innovations FZCO			-	-	-	-	-	-	-	-	-	-
Exposure to foreign currency assets	**53.89**	**5,100.48**	**17.94**	**1,955.16**	**-**	**-**	**25.71**	**3,229.76**	**72.24**	**1,855.95**	**-**	**-**
Financial liabilities												
Trade payables	1.68	159.22	1.30	142.22	2.16	24.70	1.08	135.68	1.59	40.91	-	-
Capital creditors	21.10	1,997.31	-	-	-	-	-	-	-	-	0.41	27.53
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	-	-	-	-	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**22.78**	**2,156.53**	**1.30**	**142.22**	**2.16**	**24.70**	**1.08**	**135.68**	**1.59**	**40.91**	**0.41**	**27.53**
Net Exposure to foreign currency risk (assets/(liabilities))	**31.10**	**2,943.95**	**16.63**	**1,812.94**	**(2.16)**	**(24.70)**	**24.63**	**3,094.08**	**70.65**	**1,815.04**	**(0.41)**	**(27.53)**

As at 31st March, 2025	USD	INR	EURO	INR	HKD	INR	GBP	INR	AED	INR	AED	INR
Financial assets												
Trade receivable	25.92	2,218.13	19.86	1,833.66	-	-	21.31	2,360.05	-	-	-	-
Bank balance in EEFC accounts	5.11	437.44	-	-	-	-	13.25	1,467.58	-		-	
Exposure to foreign currency assets	**31.03**	**2,655.57**	**19.86**	**1,833.66**	**-**	**-**	**34.56**	**3,827.63**	**-**	**-**	**-**	**-**
Financial liabilities												
Trade payables	9.78	836.81	0.89	81.76	1.82	19.61	1.08	119.75	-	-	-	-
Borrowings	-	-	1.56	144.26	-	-	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	(1.56)	(144.26)	-	-	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	0.01	0.97	-	-	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**9.78**	**836.81**	**0.90**	**82.73**	**1.82**	**19.61**	**1.08**	**119.75**	**-**	**-**	**-**	**-**
Net Exposure to foreign currency risk (assets/(liabilities))	**21.25**	**1,818.76**	**18.96**	**1,750.93**	**(1.82)**	**(19.61)**	**33.48**	**3,707.88**	**-**	**-**	**-**	**-**

The outstanding HKD denominated balance being insignificant has not been considered.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises from above referred outstanding balances.

(₹ in Lakh)

Currency Sensitivity	Impact on profit before tax	
	As at 31st March, 2026	As at 31st March, 2025
USD sensitivity		
INR/USD -Increase by 1%*	29.44	29.70
INR/USD -decrease by 1%*	(29.44)	(29.70)
EURO sensitivity		
INR/EURO -Increase by 1%*	18.13	21.74
INR/EURO -decrease by 1%*	(18.13)	(21.74)
GBP sensitivity		
INR/GBP -Increase by 1%*	30.94	37.12
INR/GBP -decrease by 1%*	(30.94)	(37.12)
HKD sensitivity		
INR/HKD -Increase by 1%*	(0.25)	(0.20)
INR/HKD -decrease by 1%*	0.25	0.20
SGD sensitivity		
INR/SGD -Increase by 1%*	(0.28)	-
INR/SGD -decrease by 1%*	0.28	-
AED sensitivity		
INR/AED -Increase by 1%*	18.15	-
INR/AED -decrease by 1%*	(18.15)	-

*Holding all other variables constant

The outstanding HKD & TWD denominated balance being insignificant has not been considered for the purpose of sensitivity disclosures.

30 d) (ii) Interest rate risk

Interest rate risk arises on account of variable interest rate borrowings held by the Company. The uncertainties about the future market interest rate of these borrowings exposes the Company to the interest rate risk.

Currently, Interest rate on Term Loans are linked with Marginal Cost of funds based Lending Rate (MCLR) and to the extent of variation in MCLR, interest rates on terms loans are expected to be changed. The interest rates on Term loans which are linked with MCLR are reported in Note 14 - Non-current Borrowings.

“For the year ended 31st March, 2026 and 31st March, 2025, a 10 basis point increase / decrease in interest rate on floating rate liabilities would impact Company’s profit before tax by approximately 0.03 % and 0.07 % respectively.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 31 - Details of Government Grants

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Government grants received by the Company during the year towards		
i.) Duty drawback (recognised under Export Incentive under Other revenue from operations)	114.51	48.17
ii.) Other incentives (Remition of Duties and Taxes on Export Products and Focus Product Scheme the revenue of which has been recognised under Export Incentive)	253.86	245.16
"iii.) Other Government Grant include grant received by the Company in respect to investment made by the Company in plant and equipment.	-	-
A) Amount of grant received during the year	-	-
B) Amortised in statement of Profit and Loss	1.80	1.80
C) Unamortised portion of grant recorded as deferred income in current and non current liabilities	6.34	8.14

Note 32 -Operating segment

In accordance with the requirement of Ind AS 108 - "segment reporting", the Company is primarily engaged in the business of manufacturing of customized components made up of plastic and other materials and has no other primary reportable segments. The Board of Directors of the Company allocates the resources and assess the performance of the Company, thus Chief Operating Decision Maker("CODM"). The CODM monitors the operating results of the business as a single segment hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation and amortization during the year are all as reported in the financial statements for the year ended 31st March, 2026 and as on that date.

"The Group is primarily engaged in the contract manufacturing in the business of injection mould of plastic and other components. The nature of the entire business remains within the boundaries of contract manufacturing and its related activity for different industries such as furniture, pharma, toy, automobile etc. Each business may have distinct characteristics in terms of scale and type, but the fundamental process centered around contract manufacturing .

Considering the similarity in the economic characteristics and nature of these businesses, the company has applied aggregation criteria for reportable segment under IND AS 108 and disclosed it as a single reportable business segment.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(₹ in Lakh)

Revenue from sale of products and services	As at 31st March, 2026	As at 31st March, 2025
India	29,409.10	16,164.14
Outside India	68,674.31	62,069.27
Total Revenue from sale of products and services	**98,083.42**	**78,233.41**

The amount of its non-current assets broken down by location of the customers is shown in the table below. (₹ in Lakh)

Non-current assets	As at 31st March, 2026	As at 31st March, 2025
India	67,540.70	53,195.93
Outside India	2,118.96	1,505.58
Total non-current assets	**69,659.66**	**54,701.52**

The Group earns revenue from one major customer of ₹ 45,238.38 lakhs (previous year ₹ 42,656.24 lakhs) who individually contribute more than 10 percent of the Company's revenue.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 33 - Related Party Transactions

33 a) Details of related parties

Description of relationship	Names of related parties
Key Management Personnel and Directors	
Executive Chairman	Mr. Mahendra Sanghvi
Managing Director	Mr. Amit Sanghvi
Executive Director	Mr. Laxman Sanghvi
Whole Time Director	Mrs. Tilottama Sanghvi
Independent Director	Mr. Milin Mehta (till 8th Nov 2024)
Independent Director	Mr. Ranjit Singh
Independent Director	Mr. Shailesh Ayyangar
Independent Director	Mr. Samaresh Parida
Independent Director	Mrs. Sangeeta Singh
Other Related Parties	
Entities in which key management personnel have significant influence	Panax Appliances Pvt. Ltd.
Entities in which key management personnel have significant influence	Shaily-IDC India Pvt. Ltd.
Entities in which key management personnel have significant influence	Shaily Medical Plastics Pvt.Ltd.
Entities in which key management personnel have significant influence (it became wholly owned subsidiary w.e.f. 28th June 2025)	Shaily Innovations FZCO
Key management personnel	Mr. Sanjay Navin Shah (Chief Strategy Officer)
Key management personnel	Mr. Sitakant Dash (Vice President - Technical Services)
Key management personnel	Mr. Paresh Mahavirbhai Jain (Chief Financial Officer)
Key management personnel	Mr. Harish Govind Punwani (Company Secretary)
Relative of key management personnel	Mrs.Kinjal S Bhavsar
Relative of key management personnel	Mrs. Shaily Sanghvi
Relative of key management personnel	Mrs. Kalpana L Sanghvi
Firm owned by relative of key management personnel	Jariwala Shah Kanji Raichand & Co
Firm owned by relative of key management personnel	Buddha Bambu (Mrs. Purnima Shah)
Entities in which Independent Directors have significant influence	Tiivra Ventures Private Limited

33 b) Key management personnel compensation

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Short term benefits	2,495.29	1,108.52
Post employment benefits	509.40	461.53
Share based payments	36.72	-

33 c) Transactions with related parties

(₹ in Lakh)

Nature of Transaction	For year ended 31st March, 2026	For year ended 31st March, 2025
Rent paid for lease arrangements		
Mrs. Tilottama Sanghvi	8.40	8.40
Jariwala Shah Kanji Raichand & Co	9.20	7.80
Sales transactions		
Tiivra Ventures Private Limited	0.27	1.93
Reimbursement of expenses		
Shaily Innovations FZCO	-	26.79
Purchases		
Buddha Bambu (Mrs. Purnima Shah)	-	1.30
Advance given to Mr. Amit Sanghvi	764.21	-

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

33 c) Transactions with related parties

(₹ in Lakh)

Nature of Transaction	For year ended 31st March, 2026	For year ended 31st March, 2025
Dividend paid		
Mr. Mahendra Sanghvi	66.63	37.64
Mr. Amit Sanghvi	26.07	13.03
Mr. Laxman Sanghvi	47.64	23.82
Mrs. Tilottama Sanghvi	128.77	64.39
Mrs. Shaily Sanghvi	26.00	-
Mr. Sanjay Navin Shah	2.46	-
Mr. Harish Govind Punwani	0.00	-
Mr. Sitakant Dash	0.16	-
Sitting fees to Independent Director	39.00	41.50

33 d) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions :

(₹ in Lakh)

Outstanding balances	For year ended 31st March, 2026	For year ended 31st March, 2025
Trade receivables		
Tiivra Ventures Private Limited	-	11.96
Investment in Panax Appliances Pvt. Ltd *	38.94	38.94
Reimbursement of expenses		
Shaily Innovations FZCO	-	26.79
Advance given to Mr. Amit Sanghvi	764.21	-
Advance to supplier		
Shaily Medical Plastics Pvt Ltd.	9.50	9.50
Total receivables to related parties	**812.65**	**87.19**
Trade payables		
Panax Appliances Pvt. Ltd	20.03	20.03
Jariwala Shah Kanji Raichand & Co	0.69	-
Mrs. Tilottama Sanghvi	0.63	0.63
Salary payable		
Mr. Mahendra Sanghvi	52.09	60.19
Mr. Amit Sanghvi	-	53.40
Mr. Laxman Sanghvi	5.77	20.21
Mrs. Tilottama Sanghvi	5.77	16.42
Mrs. Kinjal Bhavsar	29.37	25.88
Mr. Sanjay Navin Shah	2.17	-
Mr. Harish Govind Punwani	2.19	-
Mr. Paresh Mahavirbhai Jain	4.05	-
Mr. Sitakant Dash	5.05	-
Total payables to related parties	**127.80**	**196.77**

*The entire investment is provided for as impairment allowance

33 e) Terms and conditions :

(i) All outstanding balances are unsecured and are repayable/receivable in cash and all the transactions with these related parties are priced on an arms lengh basis.

Notes forming part of the Consolidated Financial statements
as at and for the year ended 31st March, 2026

Note 34 - Contingent liabilities
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Income Tax	2.46	2.46
(b) Sales Tax	-	-
(c) Custom Duty	97.84	97.84
(d) Service Tax	193.93	193.93
(e) Excise Duty	3.22	3.22
(f) Bank guarantee	946.51	-
(g) Workmen compensation	Amount Not determinable	Amount Not determinable

It is not practical for the Company to estimate the closure of these issue and the consequential timing of cash flows, if any.

1) The Company has ongoing disputes with various tax authorities (income tax, custims duty, service tax and excise) in India. The Company has disclosed contingent liability of ₹ 297.45 lakhs and ₹ 297.45 lakhs as at 31st March, 2026 and 2025, respectively, in respect of various tax demands, which are being contested by the Company based on the management evaluation and advice of tax consultants.The amounts assessed as contingent liability do not include interest and penalty that could be claimed by counter parties.

2) The company does not expect any reimbursement in respect of the above contingent liabilities.

Note 35 - Commitments
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible assets	9,889.72	5,946.40

Note 36 - Disclosure under Ind AS 115

(A) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:
(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Revenue as per contracted price	98,616.11	78,650.36
Adjustments :		
Rebates, Discounts and others	(532.70)	(416.96)
Revenue from contract with customers	**98,083.42**	**78,233.40**

(B) Contract balances:
The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivables (net of allowances for expected credit loss)(Note 9)	21,481.24	17,172.47
Contract assets	-	-
Contract liabilities	9,142.88	4,102.60

Changes in contract assets and liabilities are mainly on account of contractual right to consideration and is dependent on completion of contractual milestones.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

(C) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Amounts included in contract liabilities at the beginning of the year	214.86	-
Performance obligations satisfied in previous years, not previously recognised	-	-

(D) Unsatisfied or partially satisfied Performance Obligation

Revenue to be recognised in future related to the performance obligations that are unsatisfied or partially satisfied as at 31st March, 2026 and expected to be recognised within one year is of ₹ 6760.37 lakhs (PY ₹ Nil) and for more than one year is ₹ 2382.51 lakhs (PY ₹ Nil).

(E) Disaggregation of revenue

The management determines that the segment information reported under Note 32 - Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers.

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Consumer	51,125.60	56,077.39
Industrial	8,657.08	6,136.01
Pharma	39,284.04	16,466.37
	99,066.72	**78,679.77**

(F) Significant payment terms

Generally, the Company provides credit period in the range of 30 -120 days for customers.

Note 37 - Earnings per share

(₹ in Lakh)

Particulars	For year ended 31st March, 2026	For year ended 31st March, 2025
Profit attributable to the equity holders of the Company	16,991.21	9,311.90
Weighted average number of equity shares (basic) for the year	4,59,55,093	4,59,03,809
Total basic earnings per share attributable to the equity holders of the Company	36.97	20.29
Weighted average number of equity shares (diluted) for the year	4,61,37,597	4,60,32,847
Total diluted earnings per share attributable to the equity holders of the Company	36.83	20.23

Collateral against borrowings

The Company has hypothecated / mortgaged financial instruments as collateral against a number of its borrowings. Refer note 38 (assets pledged) for further information on financial and non-financial collateral hypothecated.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 38 - Assets pledged as security

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current (Present and Future)		
Second pari passu charge for all term loans and foreign currency loans from banks		
Inventories	15,078.30	13,775.63
Trade receivables	18,184.46	14,812.42
Cash and cash equivalents	298.97	440.82
Bank balances other than cash and cash equivalents	437.96	405.43
Balances with government authorities	3,537.62	3,365.08
Advance to suppliers	529.10	756.48
Advance to Employees	49.26	53.05
Other financials assets	23.08	15.38
Loans	1,016.94	34.28
Derivative asset	-	16.16
Prepaid expense	380.85	258.40
Total current assets pledged as security	**39,536.55**	**33,933.14**
Non-Current		
First pari passu charge for all term loans and foreign currency loans from banks		
Property, plant and equipment	57,168.94	45,763.79
Capital work-in-progress	2,880.26	1,735.96
Total	**60,049.19**	**47,499.75**

Note 39 - Disclosure as per Regulation 34(3) of SEBI (Listing Obligations and Discolsure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013

(₹ in Lakh)

Name of the party	Relationship	Nature	As at 31st March, 2026	As at 31st March, 2025
Shaily Medical Plastics Private Limited	Significant Influence of KMP	Outstanding Balance	9.50	9.50
		Maximum Balance Outstanding	9.50	9.50
Mr. Amit Sanghvi	Managing Director	Outstanding Balance	764.21	-
		Maximum Balance Outstanding	764.21	-

The above advance has been given for business purpose.

Note 40 - Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from external parties such as banks or financial institutions. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Debt (Bank and other borrowings)	17,403.32	18,767.69
Less: Liquid Investments and bank deposits	2,079.32	1,908.39
Net Debt	15,324.00	16,859.30
Total Equity	71,667.49	54,768.78
Net Debt to Equity (Net)	0.21	0.32

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 41 - Other Statutory Information

(i) Holding Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) Holding Company does not have any transactions with companies struck off.

(iii) Holding Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) Holding Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) Holding Company has 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) Holding 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) Holding Company does 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.

Note 42

"During the year ended 31st March, 2026, the Central Government of India has notified 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', effective from 21st November, 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity.

As a result of this plan amendment, the Group's defined benefit obligation increased by ₹ 90 lakhs (PY: nil). A corresponding past service cost was recognised in profit or loss during the current year."

Note 43

All material events occurring after the balance sheet date upto the date of approval of financial statements by the Board of Directors on 19th May, 2026, have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 - Events after the Reporting Period.

Note 44

The Group has borrowings from banks and financial institutions on the basis of security of current assets. However the Company is not required to file the quarterly returns or statements as confirmed by the bank.

Note 45

The financial statements are approved for issue by the Board of Directors in their meeting held on 19th May, 2026.

Notes forming part of the Consolidated Financial statements

as at and for the year ended 31st March, 2026

Note 46 - Additional Information as required by Paragraph 2 of Part III - General Instruction for Preparation of CFS of Schedule III of the Companies Act, 2013:

Additional disclosure pursuant to schedule III to the Companies Act, 2013 as at 31st March, 2026

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in Other Comprehensive Income (OCI)		"Share in Total Comprehensive Income (TCI)"	
	% of consolidated net assets	₹ in lakhs	% of consolidated profit	₹ in lakhs	% of consolidated OCI	₹ in lakhs	% of consolidated TCI	₹ in lakhs
Parent :	90.62%	64,945.90	94.94%	16,132.04	-80.99%	(320.17)	90.94%	15,811.86
Wholly owned subsidiaries :								
Shaily Innovations Ltd.	9.64%	6,908.43	5.57%	947.25	0.00%	-	5.45%	947.25
Shaily Innovations FZCO	1.34%	962.31	5.25%	891.70	0.00%	-	5.13%	891.70
Adjustments arising out of consolidation	-1.60%	(1,149.16)	-5.77%	(979.78)	180.99%	715.48	-1.52%	(264.30)
Total	**100.00%**	**71,667.49**	**100.00%**	**16,991.21**	**100.00%**	**395.31**	**100.00%**	**17,386.53**

Additional disclosure pursuant to schedule III to the Companies Act, 2013 as at 31st March, 2025

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in Other Comprehensive Income (OCI)		"Share in Total Comprehensive Income (TCI)"	
	% of consolidated net assets	₹ in lakhs	% of consolidated profit	₹ in lakhs	% of consolidated OCI	₹ in lakhs	% of consolidated TCI	₹ in lakhs
Parent :	90.60%	49,621.85	76.15%	7,091.01	224.82%	(337.60)	73.96%	6,753.41
Wholly owned subsidiary :								
Shaily Innovations Ltd.	11.45%	6,272.14	29.33%	2,731.46	0.00%	-	29.91%	2,731.46
Adjustments arising out of consolidation	-2.05%	(1,125.21)	-5.48%	(510.59)	-124.82%	156.99	-3.87%	(353.59)
Total	**100.00%**	**54,768.78**	**100.00%**	**9,311.92**	**100.00%**	**(180.61)**	**100.00%**	**9,131.30**

Note 47 - Principles of Consolidation

These Consolidated Financial Statements (CFS) are prepared in accordance with Ind AS on “Consolidated Financial Statements” (Ind AS – 110) and “Disclosure of interests in other entities” (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

In terms of our report attached

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Shabbir Readymadewala
Partner
Membership No: 100060

Vadodara
19 May 2026

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Laxman Sanghvi
Executive Director
DIN: 00022977

Paresh Jain
Chief Financial Officer

Harish Punwani
Company Secretary

Vadodara
19 May 2026

SHAILY

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213/1, 210/5, 212/5, 213/2, 213/3, 209/4,
Village Chandrapura, Halol 389 350
Dist. Panchmahal, Gujarat, India