**NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS (UNRELATED PARTY) OF SHAHI KNITS PRIVATE LIMITED IN HYBRID MODE (PHYSICALLY AND THROUGH VIDEO CONFERENCING / OTHER AUDIO-VISUAL MEANS) PURSUANT TO THE ORDER DATED 24 SEPTEMBER 2026 READ WITH ORDER DATED 16 OCTOBER 2026 OF THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH**

| **Meeting Details** | |
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| Day | Saturday |
| Date | 12 December 2026 |
| Time | 03:00 PM to 04:30 PM |
| Mode of Meeting | As per the directions of the Hon'ble National Company Law Tribunal, Chandigarh Bench, the Meeting shall be conducted in a hybrid mode, i.e., through physical mode at IP-1, Sector-28, Faridabad, Sector -29, Haryana, India, 121008 as well as through Video Conferencing ('VC') with the facility of remote e-voting |
| Remote e-voting start date and time | 09.12.2026 at 09:00 AM |
| Remote e-voting end date and time | 11.12.2026 at 05:00 PM |
| E-voting shall also be available during the Meeting to unsecured creditors (unrelated party) attending through VC/OAVM, and voting by ballot paper shall be available to unsecured creditors (unrelated party) (or their proxies) present at the venue. | |


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Copies of the above documents may also be obtained free of charge at the Registered Office of the Company on all working days (Monday to Friday) between 10:00 A.M. and 5:00 P.M. up to one day prior to the date of the meeting, or by e-mail request to the authorised representative at secmtgs@shahi.co.in, in which case the same shall be furnished within one day of receipt of the request.

**YOUR LOGIN ID AND PASSWORD DETAILS FOR CASTING YOUR VOTE ELECTRONICALLY AND FOR ATTENDING THE MEETING OF CREDITORS THROUGH VC/ OAVM ARE ATTACHED IN THE PDF FILE ENCLOSED HEREWITH. PLEASE NOTE THAT THE PASSWORD TO OPEN THE PDF FILE IS YOUR UNIQUE CREDITOR ID.**

**THE CREDITORS MAY ALSO CHOOSE TO ATTEND THE MEETING PHYSICALLY AT IP-1, SECTOR-28, FARIDABAD, SECTOR -29, HARYANA, INDIA, 121008.**

**WHERE A CREDITOR CASTS VOTE BOTH BY REMOTE E-VOTING AND AT THE MEETING, THE VOTE CAST BY REMOTE E-VOTING SHALL PREVAIL AND THE VOTE CAST AT THE MEETING SHALL BE TREATED AS INVALID.**

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,
CHANDIGARH BENCH

CA(CAA) No. 25/Chd/Hry/2026

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Scheme of Arrangement

Between

Shahi Exports Private Limited
(Applicant No. 1 /Demerged Company/ "SEPL")

And

Shahi Knits Private Limited
(Applicant No. 2 /Transferor Company 1/ "SKPL")

And

HSA Apparel Private Limited
(Applicant No. 3 /Transferor Company 2/ "HSAAPL")

And

Shahi Garments Private Limited
(Applicant No. 4 /Resulting Company/Transferee Company/ "SGPL")

And

their respective Shareholders

**NOTICE FOR CONVENING MEETING OF THE UNSECURED CREDITORS (UNRELATED PARTY) OF SHAHI KNITS PRIVATE LIMITED**

Shahi Knits Private Limited
(CIN: U17299HR2022PTC141698)
incorporated under the provisions of the
Companies Act, 2013 and having its Registered Office at
IP-1, Sector-28, Faridabad, Sector 29, Haryana - 121008 …….the Transferor Company No. 1

**NOTICE FOR CONVENING THE MEETING OF THE UNSECURED CREDITORS (UNRELATED PARTY) OF SHAHI KNITS PRIVATE LIMITED PURSUANT TO THE ORDER DATED 24 SEPTEMBER 2026 READ WITH ORDER DATED 16 OCTOBER 2026 PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH IN HYBRID MODE (PHYSICALLY AND THROUGH VIDEO CONFERENCING / OTHER AUDIO-VISUAL MEANS)**

To,
Unsecured creditors (unrelated party) of Shahi Knits Private Limited
(Applicant No. 2/ Transferor Company No. 1/ Company/SKPL)

1. Notice is hereby given that by an Order dated 24 September 2026 read with order dated 16 October 2026 ("Order"), the Chandigarh Bench of Hon'ble National Company Law Tribunal (hereinafter referred as the "Tribunal"), passed in the Company Application No. CA(CAA) No. 25/Chd/Hry/2026 has directed that a meeting of unsecured creditors (unrelated party) ('Meeting') of Shahi Knits Private Limited be convened in a hybrid mode, i.e., through physical mode as well as through video conferencing or Other Audio-Visual Means ('VC/OAVM') for the purpose of considering, and if thought fit, approving with or without modification, the Composite Scheme of Arrangement for demerger of the Apparel Business ("Demerged Undertaking") of Shahi Exports Private Limited (Demerged Company) into Shahi Garments Private Limited and amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited into Shahi Garments Private Limited ('the Scheme').

2. Pursuant to the Order of the Hon'ble Tribunal as directed therein, the Meeting of the unsecured creditors (unrelated party) of Shahi Knits Private Limited will be held on Saturday, 12 December 2026 at 03:00 PM (IST) in hybrid mode, i.e., physically at IP-1, Sector-28, Faridabad, Sector-29, Haryana – 121008, and through VC/OAVM.

3. The Scheme, if approved by the requisite majority of unsecured creditors (unrelated party) of the Company as per Section 230(6) of the Act, i.e., a majority in number representing three-fourths in value of the unsecured creditors (unrelated party) present and voting, in person, by proxy or by remote e-voting/ e-voting at the Meeting, will be subject to subsequent approval of the Hon'ble Tribunal and such other approvals, permissions and sanctions from any other regulatory or statutory authority (ies) as may be deemed necessary.

4. In compliance with paragraph 20(C) of the Order of the Hon'ble Tribunal, in the manner determined by the Chairperson, and with Section 108 and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, applied mutatis mutandis, the Company has provided the facility of remote e-voting prior to the Meeting as well as e-voting during the Meeting, using the services of National Securities Depository Limited ('NSDL'), and voting by ballot paper at the venue, so as to enable the unsecured creditors (unrelated party) to consider and, if thought fit, approve, with or without modification(s), the Scheme by way of the resolution mentioned below. The unsecured creditors (unrelated party) may refer to the 'Notes' to this Notice for further details.

5. The unsecured creditors (unrelated party) shall also have the option to attend and vote at the Meeting physically at IP-1, Sector-28, Faridabad, Sector-29, Haryana – 121008. A unsecured creditors (unrelated party) entitled to attend and vote at the Meeting at the venue may do so in person or by proxy. A proxy in the prescribed form (annexed), duly signed by the unsecured creditors (unrelated party) or its authorised representative, must be deposited at the Registered Office of the Company not later than 48 hours before the Meeting. A proxy shall not be permitted to attend or vote through VC/OAVM.

6. As per the directions of the Hon'ble Tribunal, Shri Dharam Paul Gupta, Advocate, has been appointed as the Chairperson of the Meeting, including for any adjournment thereof. The Hon'ble Tribunal has also appointed Mr. Gurvinder Singh Sarin, Practising Company Secretary, as the Scrutinizer for the Meeting, including any adjournment thereof, to scrutinize the entire voting process, including remote e-voting prior to the Meeting, e-voting during the Meeting and voting by ballot paper at the venue, and the verification of proxies and authorisations, in a fair and transparent manner.

7. The voting rights of the unsecured creditors (unrelated party) shall be in proportion to the outstanding amount due to be paid by the Company as on the closure of business hours on 30.06.2026 ('Cut-Off Date'). A person whose name is reflecting in 'the list of unsecured creditors (unrelated party) ' as on the Cut-Off Date only, shall be entitled to vote on the proposed resolution.

8. The Statement under Section(s) 102, 230 to 232 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with a copy of the Scheme and other Annexures to the Statement are enclosed herewith. A copy of this Notice, Statement and the Annexures are available on the website of the Company at http://shahi.co.in/ , the website of NSDL at www.evoting.nsdl.com. A copy of the Notice together with the accompanying documents can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the Registered Office of the Company at IP-1, Sector-28, Faridabad, Haryana - 121008, between 10:00 A.M. (IST) to 5:00 P.M. (IST). Alternatively, a written request in this regard may be addressed to secmtgs@shahi.co.in and the Company will send the same free of charge within one day of receipt of the request.

9. The unsecured creditors (unrelated party) are requested to consider, and if thought fit, with or without modification(s), pass the following Resolution with requisite majority:

*"**RESOLVED THAT** in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Rules") and other applicable provisions, if any, of the Act and the Rules (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the company and subject to the approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench (hereinafter referred to as 'Hon'ble Tribunal'/'NCLT') and such other approvals, permissions and sanctions of any other regulatory or statutory authority(ies), as may be deemed necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble Tribunal or any other regulatory or statutory authority(ies), while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by the Board to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of arrangement amongst Shahi Exports Private Limited ("Demerged Company" or "Company"), Shahi Knits Private Limited ("Transferor Company 1"), HSA Apparel Private Limited ("Transferor Company 2"), Shahi Garments Private Limited ("Resulting Company" or "Transferee Company") and their respective shareholders ("Scheme"), as enclosed with this Notice of the NCLT convened Meeting of the unsecured creditors (unrelated party), be and is hereby approved."*

***"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem desirable, appropriate or necessary, to give effect to this resolution and*

*effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/ or conditions, if any, at any time and for any reason whatsoever, which may be required and/or imposed by the Hon'ble Tribunal or its Appellate Authority(ies) while sanctioning the arrangement embodied in the Scheme or by any statutory/regulatory authority(ies), or as may be required for the purpose of resolving any doubts or difficulties that may arise including passing such accounting entries or making adjustments in the books of accounts of the Company as considered necessary, while giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the unsecured creditors (unrelated party) shall be deemed to have given their approval thereto expressly by authority under this Resolution."*

***"RESOLVED FURTHER THAT** the Board may delegate all or any of its powers herein conferred to any Director(s) and/or officer(s) of the Company, to give effect to this Resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from unsecured creditors (unrelated party) of the Company*."

Sd/-
**Dharam Paul Gupta**
Chairperson appointed for the Meeting
by order of Hon'ble Tribunal dated 24 September 2026 read with order dated 16 October 2026

**Date: 05 November 2026**

**Shahi Knits Private Limited**
**Registered Office**: IP-1, Sector-28, Faridabad, Sector 29, Haryana - 121008

**Notes**:

1. Pursuant to the directions of the Hon'ble Tribunal vide its Order dated 24 September 2026 read with order dated 16 October 2026, the Meeting of the unsecured creditors (unrelated party) of SKPL is being conducted in hybrid mode, i.e., physically at IP-1, Sector-28, Faridabad, Sector-29, Haryana – 121008 and through Video Conference (VC)/ other audio visual means (OAVM), on Saturday, 12 December 2026 at 03:00 PM (IST), for the purpose of considering, and if thought fit, approving with or without modification, the Composite Scheme of Arrangement between Shahi Exports Private Limited ("Demerged Company" or "Company"), Shahi Knits Private Limited ("Transferor Company 1"), HSA Apparel Private Limited ("Transferor Company 2"), Shahi Garments Private Limited ("Resulting Company" or "Transferee Company") and their respective shareholders.

2. The Statement pursuant to Section(s) 102, 230 to 232 of the Act read with other applicable provisions of the Act, and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, in respect of the business set out in the Notice of the Meeting is annexed hereto.

3. As per paragraph 20(E) of the Order of the Hon'ble Tribunal, the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent at least one month before the date of the Meeting to the unsecured creditors (unrelated party) of the Company as on the Cut-Off Date (i.e., 30.06.2026) by e-mail at their registered e-mail addresses and by Speed Post at their registered or last known addresses. A physical copy of this Notice along with the accompanying documents will be sent to any unsecured creditors (unrelated party) who requests for the same.

4. The Notice convening the Meeting will be published, at least one month before the date of the Meeting, through advertisement in (i) Business Standard in the English language and (ii) Dainik Bhaskar in the Hindi language (Delhi NCR / Chandigarh / Haryana editions).

5. The unsecured creditors (unrelated party) may note that the aforesaid documents are also available on the website of the Company at https://shahi.co.in/ and on the website of NSDL (E-voting Service Provider) at www.evoting.nsdl.com

6. ONLY a person, whose name is recorded in 'the list of unsecured creditors (unrelated party)' of the Company as on the Cut-Off Date shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an unsecured creditors (unrelated party) as on the Cut-Off Date should treat the Notice for information purpose only.

7. The voting rights of the unsecured creditors (unrelated party) shall be in proportion to the outstanding amount due by the Company as on the close of business hours on the Cut-Off Date as per 'the list of unsecured creditors (unrelated party)'.

8. The voting period for remote e-voting (prior to the Meeting) shall commence on and from 9 December, 2026 at 9 AM (IST) and shall end on 11 December, 2026 at 5:00 PM(IST). The remote e-voting module shall be disabled by NSDL thereafter. The Company is additionally providing the facility of e-voting at the Meeting.

**9. Since the Meeting is being held in hybrid mode, a unsecured creditors (unrelated party) entitled to attend and vote at the Meeting at the venue is entitled to appoint a proxy to attend and vote on his/ her/ its behalf at the venue, and the proxy need not be a unsecured creditors (unrelated party) of the Company. The Form of Proxy, duly completed, stamped and signed, must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting. A proxy shall not be permitted to attend or vote through VC/OAVM. The Form of Proxy, Attendance Slip and route map of the venue are annexed to this Notice.**

10. Facility to join the Meeting shall be opened thirty minutes before the scheduled time of the Meeting.

11. **Pursuant to the provisions of the Act, the Institutional/ Corporate unsecured creditors (unrelated party) (i.e., other than individuals, HUF, NRI, etc.) are required to send legible scan of certified true copy of its Board or governing body resolution/ power of attorney/ authority letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to attend the Meeting through VC on its behalf and vote at the Meeting. The said resolution/ authorisation, self-attested by the person so authorized to attend the Meeting, shall be sent to SKPL at**

**secmtgs@shahi.co.in with a copy marked at secmtgs@shahi.co.in at least forty eight (48) hours before the Meeting**.

12. The quorum for the Meeting shall be lower of 10 in number or 25% in value. Unsecured creditors (unrelated party) attending the Meeting in person, by proxy, through authorised representatives or through VC/OAVM will be counted for the purpose of reckoning the quorum. In terms of paragraph 20(I) of the Order, if the quorum is not present within 30 minutes of the scheduled time, the Meeting shall stand adjourned for one hour, and if at the adjourned Meeting the quorum is still not present, the unsecured creditors (unrelated party) present (minimum two) shall constitute the quorum.

13. The Scheme, if approved by the requisite majority of the unsecured creditors (unrelated party) of SKPL as per Section 230(6) of the Act, i.e., a majority in number representing three-fourths in value of the unsecured creditors (unrelated party) present and voting, in person, by proxy or by remote e-voting/ e-voting at the Meeting, will be subject to the subsequent approval of the Hon'ble Tribunal and such other approvals, permissions and sanctions from any other regulatory/ statutory authorities as may be deemed necessary.

14. Mr. Gurvinder Singh Sarin, Practising Company Secretary, has been appointed as the Scrutinizer to scrutinize the entire voting process, including remote e-voting, e-voting at the Meeting, voting by ballot paper at the venue and the verification of proxies and authorisations, in a fair and transparent manner. The Scrutinizer will submit a consolidated report to the Chairperson of the Meeting after scrutinizing the voting by the unsecured creditors (unrelated party) of the Company.

15. The Unsecured creditors (unrelated party), who would like to express their views or ask questions with regard to the resolution to be placed at the meeting, may raise the same by sending an e-mail to **secmtgs@shahi.co.in** in advance (mentioning their name and other credentials, if any), at least 3 days prior to the date of the NCLT Convened Meeting. Such questions by the Unsecured creditors (unrelated party) shall be replied by the management of Company suitably.

**16. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle unsecured creditors (unrelated party) from attending the Meeting.**

**However, after exercising right to vote through remote e-voting prior to the Meeting, a unsecured creditors (unrelated party) shall not be allowed to vote again at the Meeting. In case the unsecured creditors (unrelated party) cast their vote via both the modes i.e. remote e-voting prior to the Meeting as well as during the Meeting, then voting done through remote e-voting before the Meeting shall prevail once the vote on a resolution is cast by the unsecured creditor, the unsecured creditors (unrelated party) shall not be allowed to change it subsequently.**

**THE UNSECURED CREDITORS (UNRELATED PARTY) ARE REQUESTED TO CAREFULLY READ ALL THE NOTES SET OUT HEREIN AND IN PARTICULAR, INSTRUCTIONS FOR JOINING THE MEETING AND MANNER OF CASTING VOTE THROUGH REMOTE E-VOTING PRIOR TO THE MEETING OR E-VOTING DURING THE MEETING.**

**17. Instructions**

**THE INSTRUCTIONS FOR UNSECURED CREDITORS (UNRELATED PARTY) FOR REMOTE E-VOTING AND JOINING MEETING ARE AS UNDER:-**

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

**The remote e-voting for the Unsecured creditors (unrelated party) Meeting of the Company begins on 9 December, 2026 at 9 AM and ends on 11 December, 2026 at 5:00 PM**

**Instructions:**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member/ Creditor section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. THE USERNAME AND PASSWORD WILL BE GENERATED BY NSDL AND SHALL BE SENT VIA EMAIL/SPEED POST SEPERATELY WELL IN ADVANCE BEFORE THE PORTAL IS OPEN FOR REMOTE EVOTING. SAME

USERNAME AND PASSWORD MAY BE USED FOR ATTENDING AND VOTING AT THE MEETING.

5. For the first time the system will ask to reset your password.
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.
9. You will be able to see the EVEN no. of the company.
10. Click on "EVEN" of company to cast your vote.
11. Now you are ready for e-Voting as the Voting page opens.
12. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
13. Upon confirmation, the message "Vote cast successfully" will be displayed.
14. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
15. Once you confirm your vote on the resolution, you will not be allowed to modify your vote
16. If you face any problems/experience any difficulty or if you forgot your password please feel free to contact on 022 - 4886 7000 or contact on email id evoting@nsdl.com

**THE INSTRUCTIONS FOR UNSECURED CREDITORS (UNRELATED PARTY) FOR E-VOTING ON THE DAY OF THE UNSECURED CREDITORS (UNRELATED PARTY) MEETING ARE AS UNDER:**

1. The procedure for e-Voting on the day of the Unsecured creditors (unrelated party) Meeting is same as the instructions mentioned above for remote e-voting.

2. Only those Creditors, who will be present in the Unsecured creditors (unrelated party) meeting through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Unsecured creditors (unrelated party) Meeting.
3. Unsecured creditors (unrelated party) (or their proxies/ authorised representatives) present at the venue who have not cast their vote through remote e-voting shall be provided with ballot papers to cast their vote at the Meeting, under the supervision of the Scrutinizer.

**INSTRUCTIONS FOR UNSECURED CREDITORS (UNRELATED PARTY) FOR ATTENDING THE UNSECURED CREDITORS (UNRELATED PARTY) MEETING THROUGH VC/OAVM ARE AS UNDER:**

Creditors will be provided with a facility to attend the Unsecured creditors (unrelated party) Meeting through VC/OAVM through the NSDL e-Voting system. Creditors may access the same at https://www.evoting.nsdl.com under shareholders/member/creditors login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.

**DECLARATION OF RESULTS ON THE RESOLUTION**

i. The Scrutinizer shall, after the conclusion of the Meeting, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution and invalid votes, if any and submit the same to the Chairperson of the Meeting.

ii. The Chairperson shall report the result of the Meeting to the Hon'ble Tribunal in Form No. CAA-4, along with an affidavit, in terms of Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, within 7 (seven) working days from the conclusion of the Meeting, upon receipt of the Scrutinizer's Report.

Sd/-
**Dharam Paul Gupta**
Chairperson appointed for the Meeting
by Order of Hon'ble Tribunal dated 24 September 2026 read with order dated 16 October 2026

**Date: 05 November 2026**
**Shahi Knits Private Limited**
**Registered Office**:
IP-1, Sector-28, Faridabad, Sector-29, Haryana – 121008

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,
CHANDIGARH BENCH

CA(CAA) No. 25/Chd/Hry/2026

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Scheme of Arrangement

Between

Shahi Exports Private Limited
(Applicant No. 1 /Demerged Company/ "SEPL")

And

Shahi Knits Private Limited
(Applicant No. 2 /Transferor Company 1/ "SKPL")

And

HSA Apparel Private Limited
(Applicant No. 3 /Transferor Company 2/ "HSAAPL")

And

Shahi Garments Private Limited
(Applicant No. 4 /Resulting Company/Transferee Company/ "SGPL")

And

their respective Shareholders

**FORM NO. CAA-2**
**[Pursuant to Section 230(3) and Rules 6 and 7]**
**NOTICE CONVENING THE MEETING OF UNSECURED CREDITORS (UNRELATED PARTY) OF SHAHI KNITS PRIVATE LIMITED**

To,
The Unsecured creditors (unrelated party) of
Shahi Knits Private Limited

**TAKE NOTICE that by an Order dated 24 September 2026 read with order dated 16 October 2026 ("Order"), in the above Company Application, the Hon'ble National Company Law Tribunal, Chandigarh Bench has directed that a meeting of the Unsecured creditors (unrelated party) of Shahi Knits Private Limited be convened and held in hybrid mode, i.e., physically at IP-1, Sector-28, Faridabad, Sector-29, Haryana – 121008 and through Video Conferencing/ Other Audio-Visual Means ('VC/OAVM'), on Saturday, 12 December 2026 at 03:00 PM, for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement between Shahi Exports Private Limited (Demerged Company), Shahi Knits Private Limited (Transferor Company No. 1), HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting Company) and their respective shareholders, at which place, day, date and time you are requested to attend. The facility of remote e-voting and e-voting at the meeting is being provided on the platform of National Securities Depository Limited ('NSDL').**

**TAKE FURTHER NOTICE that you may attend and vote at the said meeting at the venue in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered Office of the Applicant Company not later than 48 hours before the said meeting. A proxy shall not be permitted to attend or vote through VC/OAVM. You may alternatively attend and vote through VC/OAVM or vote through remote e-voting, as set out in the Notes.**

The NCLT has appointed Shri Dharam Paul Gupta, Advocate as the Chairperson, and Mr. Gurvinder Singh Sarin, Practising Company Secretary (PCS) as the Scrutiniser of the said meetings.

A copy of the Statement under section(s) 102, 230 to 232 of the Companies Act, 2013 ("the Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 alongwith requisite Attendance Slip and Form of Proxy are enclosed.

Dated this 05 day of November 2026

Mr. Dharam Paul Gupta
Chairperson appointed for the meeting

**Registered office:**
IP-1, Sector-28, Faridabad, Sector 29, Haryana - 121008

**STATEMENT UNDER SECTION(S) 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE ACT AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016, ACCOMPANYING THE NOTICE OF THE MEETING PURSUANT TO THE ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH**

1. Pursuant to Order dated 24 September 2026 read with order dated 16 October 2026 passed by the Chandigarh Bench of the Hon'ble National Company Law Tribunal ('NCLT'/'Tribunal') in CA(CAA) No. 25/Chd/Hry/2026 filed by Shahi Exports Private Limited ("the Demerged Company" or "SEPL" ), Shahi Knits Private Limited ("the Transferor Company No. 1" or "SKPL"), HSA Apparel Private Limited ("Transferor Company No. 2" or "HSAAPL"), and Shahi Garments Private Limited ("the Resulting Company" or "Transferee Company" or "SGPL"), the meeting of the creditors of the Demerged Company, Transferor Company No. 1 and Transferor Company No. 2 is being called to be conducted and held through Videoconferencing (platform being provided by NSDL) for the purpose of considering and if thought fit, approving, with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement between Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited and their respective shareholders. The details (date and time) of the meetings as under:

| Company | Meetings | Propose timings |
|---|---|---|
| Shahi Exports P. Ltd. | Unsecured Creditors – Un-related | 9:00 AM to 10:30 AM |
| | Secured Creditors | 10:30 AM to 12:00 Noon |
| | Unsecured Creditors – Related | 11:00 AM to 12:30PM |
| HSA Apparel P. Ltd. | Unsecured Creditors – Un-related | 12:00 Noon to 01:30 PM |
| | Secured Creditors | 01:30 PM to 03:00 PM |
| | Unsecured Creditors – Related | 02:00 PM to 03:30 PM |
| Shahi Knits P. Ltd. | Unsecured Creditors – Un-related | 03:00 PM to 4:30 PM |
| | Secured Creditors | 04:30 PM to 6:00 PM |
| | Unsecured Creditors – Related | 05:00 PM to 6:30 PM |

A copy of the Scheme setting out details of parties involved in the proposed Scheme, rationale, appointed date, effective date, etc. is attached herewith and forms a part of this Notice as well as the Explanatory Statement.

2. The Scheme captures the details of the Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited including Identification number, name, date of incorporation, company type, registered office address, main business carried on by Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited details of capital structure of including authorised, issued, subscribed and paid up share capital.

3. The email address for the purpose of correspondence with the Applicant Companies is secmtgs@shahi.co.in

**Particulars of incorporation and business activities of Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited**

4(a) The Demerged Company, was incorporated as a private company limited by shares under the Companies Act, 1956 on 15/07/2005 with the name "Shahi Exports Private Limited". The CIN of the Demerged Company was U18101DL2005PTC138730 and its registered office was located at F-88, Okhla Industrial Area, Phase-1, New Delhi – 110020. The PAN of the company is AAJCS1175L. The registered office of SEPL has now been shifted to IP-1, Sector-28, Faridabad, Sector 29, Haryana – 121008 and the revised CIN of SEPL is U65110HR2005PTC142404.

(b) SEPL is engaged in the business of designing, manufacturing, and selling a wide range of readymade garments and fabric items, catering to the needs of several leading international fashion brands and retailers. It is also involved in the generation of power for the captive use in its factories. SEPL also holds huge land parcels and owns a collection of art, primarily paintings, and operates an art gallery. The latest extract of the main objects of the Demerged Company as per the Memorandum of Association have been reproduced below for the perusal of the creditors:

1. *"To acquire and take over the undertaking, properties, assets, rights and liabilities of the parties hereto in connection with the running business carried on by the parties hereto in partnership under the name and style of* ***"SHAHI EXPORT HOUSE"*** *and goodwill, if any, of such business.*

2. *To carry on the business as manufacturers, producers, processors, importers, exporters, fabricators, consignors, consignees, franchise, factors, clearing & forwarding agents, brokers, whole sellers, showroom owners, retailers, distributors, exchangers, traders, buyers, sellers, job workers, stockiest of readymade garments of all shapes, sizes, varieties, specifications, descriptions, fashions and uses specifically including inner-wear/outer-wear, dress materials, bottoms, kitchen wears, knit wear, active wears, daily wear, fashion wears, party wears, sports wears and wearing apparel and/or any other allied goods such as bed-sheets, towels, table cloth, curtain cloth, furnishing material, hosieries, mosquito curtains, fishing nets, ropes etc. and/or any other made-ups, textile based accessories and ancillaries for textiles made from cotton whether woven or knitted, manmade, silk, denim, nylon, wool, linen, yarns of all kinds and description, jute, velvet, woolen, leather, leatheroitte, rexin, teri-cotton, terelyne, poly-fibre, lycra, georgette and/or any other fibrous material or blended or combination of fibrous materials and/or decorative material.*

3. *To carry on all or any of the business as spinners, weavers, doublers, engravers, embroiders, bleachers, dyers, printers, launderers, mercers calendars, knitters, yarn and rayon goods manufacturers, manufacturers of hosiery, sewing threads and other threads, worsted spinners and worsted stuff manufacturers and/or purchase, comb, prepare, spin, press, bleach, process, dye, stitch, fabricate, print*

*and deal in textile cloth, flex, hemp, jute wool, cotton, silk, rayon, nylon decron, terryline, staple-fibre, linen, denim, lycra, georgette, leather and other fibrous substances and products and/or deal in the end products of such business as traders, stockiest, distributors, franchisers, retailers, C&F agents, mercantile agents, consignors, consignees or in any other capacity.*

4. *To carry on the business as manufactures, importers, exporters, suppliers, traders and dealers in handicrafts, handloom materials, all kinds of traditional and non-traditional antiques, art-goods, utensils, paper works, jewellery, artificial jewellery, brassware and/or any other wearing and decorative materials of every kind, nature and description.*

5. *To carry on all or any of the business of generating, accumulating, supplying, distributing, employing, trading of power by laying a network of new transmission or distribution lines or otherwise deal in solar, hydro, wind and or any other forms of power and energy including power generated from steam using both renewable and non-renewable sources.*

6. *To purchase, sell, transfer, subscribe to, acquire, and/or invest in securities (including equity shares) whether directly or indirectly of one or more companies that carries on or proposes to carry on life insurance business and/or general insurance business and/or health insurance business whether in India or outside India.*

7. *To become the promoter of and/or investor of whether directly or indirectly one or more companies that carries on or proposes to carry on life insurance business and/or general insurance business and/or health insurance business whether in India or outside India."*

(c) The Demerged Company has recently added enabling provisions for undertaking the Composite Scheme of Arrangement and has amended its Object Clause of its Memorandum of Association to broaden the scope of its activities to include inter-alia renting and lending movable/immovable properties of the Company on February 25, 2026 via certificate of registration issued by Registrar of Companies, CPC, dated February 26, 2026, alteration in Objects for including the scope of investment in Insurance Companies via certificate of registration issued Registrar of Companies, CPC dated November 19, 2024 and has changed the registered office of the Company from the state of Delhi to the state of Haryana. Other than this, there has been no change in the name, registered office and objects of the Demerged Company in the last 5 (five) years.

5(a) The Transferor Company No. 1 was incorporated as a private company limited by shares, under the Companies Act, 2013 on 24/03/2022 with the name "Shahi Knits Private Limited". The Corporate Identification Number of the company was U17299DL2022PTC395499 and its registered office was situated at F-88, Okhla Industrial Area, Phase-1, New Delhi – 110020. The PAN of the company is AAWCA7126L. The registered office of SKPL has now been shifted to IP-1, Sector-28, Faridabad, Sector 29, Haryana – 121008 and the revised CIN of SKPL is U17299HR2022PTC141698.

(b) SKPL is primarily engaged in business of fabric processing, designing, manufacturing and selling, wide range of fabric items and garments. The extract of the main objects of the Transferor Company No. 1 as per the Memorandum of Association have been reproduced below for the perusal of the creditors:

*"1. To carry on the business as manufacturers, sellers, dealers, distributors, stockists, importers, exporters, fabricators of all Man- Made fibre (MMF) Apparel & Fabrics and, Technical Textiles products or connected therewith and deal in raw materials, used or required therein.*

*2. To carry on the business of manufacturing, dyeing, printing, colouring, spinning, weaving, buying, selling, importing, exporting or otherwise dealing in all fabrics and such other fibrous substances and preparations of all types and manufacturers of and dealers in cotton, silk, woollen, linen, hemp, jute, rayon, polyimide, polyester, pile, nylon, artificial silk, SYN Fibre and such other yarn and all kinds of woven synthetic blended textile manufactured from such yarn.*

*3. To carry on the business as traders, importers and exporters of and dealers in SYN, Synthetic, pile, nylon, woven, polyimide, polyester, Artificial fibres whether raw, semi-processed and all kinds of SYN Fibres goods.*

*4. To carry on business as manufactures, importers, exporters and dealers in all kinds of technical textile products in Geo textile, Agro Textile, Medical/ Hygiene Textiles, Defence Textile, Sports Textile, Protective Textiles(other than defence textiles), Building/Construction Textiles Specialty Fibres & Composites, Smart Textiles embedded with active devices for medical, defence and special uses raw materials used in manufacturing of the aforesaid products.*

*5. To carry on the business as manufacturers, producers, processors, importers, exporters, fabricators, consignors, consignees, franchise, factors, clearing & forwarding agents, brokers, whole sellers, showroom owners, retailers, distributors, exchangers, traders, buyers, sellers, job workers, stockiest of readymade garments of all shapes, sizes, varieties, specifications, descriptions, fashions and uses specifically including inner-wear/outer-wear, dress materials, bottoms, kitchen wears, knit wear, active wears, daily wear, fashion wears, party wears, sports wears and wearing apparel and/or any other allied goods such as bed-sheets, towels, table cloth, curtain cloth, furnishing material, hosieries, mosquito curtains, fishing nets, ropes etc. and/or any other made-ups, textile based accessories and ancillaries for textiles made from cotton whether woven or knitted, manmade, silk, denim, nylon, wool, linen, yarns of all kinds and description, jute, velvet, woolen, leather, leatheroitte, rexin, teri-cotton, terelyne, poly-fibre, lycra, georgette and/or any other fibrous material or blended or combination of fibrous materials and/or decorative material.*

*6. To carry on all or any of the business as spinners, weavers, doublers, engravers, embroiders, bleachers, dyers, printers, launderers, mercers calendars, knitters, yarn and rayon goods manufacturers, manufacturers of hosiery, sewing threads and other threads, worsted spinners and worsted stuff manufacturers and/or purchase, comb, prepare, spin, press, bleach, process, dye, stitch, fabricate, print and deal in textile cloth, flex, hemp, jute wool, cotton, silk, rayon, nylon decron,*

*terryline, staple-fibre, linen, denim, lycra, georgette, leather and other fibrous substances and products and/or deal in the end products of such business as traders, stockiest, distributors, franchisers, retailers, C&F agents, mercantile agents, consignors, consignees or in any other capacity.*

7. *To carry on all or any of the business as spinners, weavers, doublers, engravers, embroiders, bleachers, dyers, printers, launderers, mercers calendars, knitters, yarn and rayon goods manufacturers, manufacturers of hosiery, sewing threads and other threads, worsted spinners and worsted stuff manufacturers and/or purchase, comb, prepare, spin, press, bleach, process, dye, stitch, fabricate, print and deal in textile cloth, flex, hemp, jute wool, cotton, silk, rayon, nylon decron, terryline, staple-fibre linen, denim, lycra, georgette, leather and other fibrous substances and products and/or deal in the end products of such business as traders, stockiest, distributors, franchisers, retailers, C&F agents, mercantile agents, consignors, consignees or in any other capacity.*

8. *To carry on the business of dyeing, printing, processing, importing, exporting, designing, fabricating, manufacturing, buying, selling, reselling, sorting, developing, marketing or supplying and to act as broker, trader, agent, C&F agents, franchisee agents, commission agents, distributor, consultant, collaborator, export house or other wise to deal in all types of textiles products including garments, handicraft goods, made-up knitted fabrics, hosiery goods, hosiery materials, dress materials, collars, fabrics, cloths, yarns, suiting, shirting, sarees, readymade garments for men, women and children including sportswear, daily wears, fashion wears, party wear, wearing apparels, under garments and other similar items made on power loom. Handloom or mill by made or natural materials such as cotton, flex, hemp, made linen, wool, nylon threads, polyester, silk, art silk rayon, fibers, cashmilon, filaments, multifilament polymide-spun, woolen, acrylic, leather or any combination thereof available at present.*

9. *To carry on all or any of the business as spinners, weavers, doublers, engravers, embroiders, bleachers, dyers, printers, launderers, mercers calendars, knitters, yarn and rayon goods manufacturers, manufacturers of hosiery, sewing threads and other threads, worsted spinners and worsted stuff manufacturers and/or purchase, comb, prepare, spin, press, bleach, process, dye, stitch, fabricate, print and deal in textile cloth, flex, hemp, jute wool, cotton, silk, rayon, nylon decron, terryline, staple-fibre, linen, denim, lycra, georgette, leather and other fibrous substances and products and/or deal in the end products of such business as traders, stockiest, distributors, franchisers, retailers, C&F agents, mercantile agents, consignors, consignees or in any other capacity.*

10. *To carry on the business as Financial and lnvestment Consultant and provide investment advisory services to clients, including portfolio management, research analysis, and recommendations on investment strategies based on market conditions and client objectives.*

11. *To act as an agent, brokers, investment brokers, insurance brokers, underwriters, dealers, agent of shares, debenture stocks and other securities or intermediary in all types of business transactions, including commercial and financial transactions and to negotiate, conclude and facilitate transactions of all kinds, including but not*

*limited to the sale of financial products, insurance policies, and to receive commissions, brokerage fees, or other forms of compensation as agreed between the parties involved."*

(c) The Transferor Company No. 1 has recently shifted the registered office of the Company from Delhi to the state of Haryana vide certificate of incorporation issued by Registrar of Companies, CPC dated February 10, 2026, and had also changed the objects of the Company with the scope of Financial and Investment Consultant and advisory services activities vide Certificate of Registration issued by Registrar of Companies, CPC dated February 19, 2025 and has changed name of the Company from AHP Knitted Garments Private Limited to Shahi Knits Private Limited vide certificate of Change of Name of the Company issued by Registrar of Companies, CPC dated May 5, 2022. Other than this, there has been no change in the name, registered office and objects of the Transferor Company in the last 5 (five) years.

6(a) The Transferor Company No. 2 was incorporated as a private company limited by shares, under the Companies Act, 1956 on 21/07/2008 with the name "HSA Apparel Private Limited". The Corporate Identification Number of the company was U17120DL2008PTC181127 and its registered office was situated at F-88, Okhla Industrial Area, Phase-1, New Delhi – 110020. The PAN of the company is AACCH0707N. The registered office of HSAAPL has now been shifted to IP-1, Sector-28, Faridabad, Sector 29, Haryana – 121008 and the revised CIN of HSAAPL is U17120HR2008PTC141699.

(b) HSAAPL is primarily engaged in business designing, manufacturing and selling, wide range of readymade garments and fabric items and caters to the needs of several leading international fashion brands and retailers. The extract of the main objects of the Transferor Company No. 2 as per the Memorandum of Association have been reproduced below for the perusal of the creditors:

*"1. To undertake, identify, formulate, design, develop, structure, promote, aid, finance, procure, establish, equip, manage, construct, erect, operate, maintain, improve, control, regulate, modify, restructure, re-organise, participate and /or assist in the designing, development, construction, implementation, commissioning, operation and maintenance of infrastructure projects in textile sector and other sectors, by way of or in special economic zones or otherwise, schemes, facilities, programmes or advisory mandates across sectors in India or abroad(including without limitation urban ,rural, municipal, social, real estate, industrial infrastructure) and ancillary facilities and services for commercial use by itself, its members, shareholders, Company or through contractors and operators, on the commercial format by charging, demanding, collecting, auctioning, retaining and appropriating tariffs, charges, tolls, fees, prices, rents and all types of revenues, user fees from users of infrastructure facilities and projects and ancillary services and facilities, accept receivables towards dues, investments, returns, servicing/repayments of debts or capital etc. and to arrange for financing of the above activities and to develop integrated textile parks inter alia comprising of composite textile units, textile plant and machinery, ginning factories, pressing factories, power looms, effluent treatment plants, drainage, sewerage, waste management, water supply works, transport facilities, marketing facilities, internet facilities, information technology facilities, telecommunication systems,*

*laboratories, roads, bridges, captive power plants, warehouses, yards, parks, parking facilities training centers and other social infrastructure and social services and associated services of any description and ancillary facilities including construction of buildings, factory sheds, design centers, warehouses, raw material depot, creche, canteen, workers hostel, offices of services providers, labour rest and recreation facilities, other commercial premises, real estate development and hoardings and of the infrastructure facilities as may be required for the purpose, in public/ private sector partnership mode or any other formats as may be necessary and for this purpose to enter into all types of contracts with government and private entities.*

2. *To act as a Special Purpose Vehicle for implementing different schemes of the Central / State Governments, including cluster development schemes of Central Government, and other public authorities and to carry on the business of developing, operating, maintaining and upgrading various infrastructure facilities at different industrial locations and to engage in the activities of development of physical infrastructure (water, transport, road, communication), common facilities for fuel/gas supply system, ffluent treatment, solid waste disposal, product design, captive power generation, infrastructure for and benchmarking centers, common facilities centers, information dispersal/international marketing infrastructure, ICT Induction and process re-engineering and management consultancy service centers and any other physical infrastructure as may be approved under any of the schemes, present and future and to engage in textile and allied industrial research, Training and Developmental activities.*

3. *To assist the members to set up the manufacturing units, in marketing and sourcing of raw materials and to provide them with all infrastructure facilities, latest technologies, adequate training to the man power and assist in the overall manufacturing of textiles of all kinds.*

4. *To promote the development of textile sector more particularly in the development of power loom, processing, garmenting and/or other sectors of textile industry. It shall act as a resource center and clearing house of information and knowledge concerning all aspects of textiles and weaver related development issues in the state.*

5. *To undertake the work relating to providing facilities and augment the resources required for the modernization of the textile sector to meet international standards and quality matching the requirements of the imminent WTO governed world trade practices.*

6. *In the process of continuing education by holding workshops, seminars, and training programs in the concerned fields as enumerated above.*

7. *Innovating cost-saving new machineries, operational systems, management systems etc. in textile production for achieving maximisation of resources and to obtain maximum cost-benefit ratio."*

(c) The Transferor Company No. 2 has shifted the registered office of the Company from Delhi to the state of Haryana vide certificate of incorporation issued by Registrar of

Companies, CPC dated February 10, 2026. Other than this, there has been no change in the name, registered office and objects of the Transferor Company in the last 5 (five) years.

7(a) The Resulting Company was incorporated as a private company limited by shares, under the Companies Act, 2013 on 15/12/2025 with the name "Shahi Garments Private Limited". The Corporate Identification Number of the company is U14101HR2025PTC139262 and its registered office is situated at IP-1, Sector-28, Faridabad, Haryana-121003. The PAN of the company is ABSCS0870Q.

(b) SGPL is incorporated to engage into the business of manufacturing and exporting the readymade garments. The extract of the main objects of the Resulting Company as per the Memorandum of Association have been reproduced below for the perusal of the creditors:

*"1. To carry on the business as manufacturers, producers, processors, importers, exporters, fabricators, consignors, consignees, franchise, factors, clearing & forwarding agents, brokers, whole sellers, showroom owners, retailers, distributors, exchangers, traders, buyers, sellers, job workers, stockiest of readymade garments of all shapes, sizes, varieties, specifications, descriptions, fashions and uses specifically including inner-wear/outer-wear, dress materials, bottoms, kitchen wears, knit wear, active wears, daily wear, fashion wears, party wears, sports wears and wearing apparel and/or any other allied goods such as bed-sheets, towels, table cloth, curtain cloth, furnishing material, hosieries, mosquito curtains, fishing nets, ropes etc. and/or any other made-ups, textile based accessories and ancillaries for textiles made from cotton whether woven or knitted, manmade, silk, denim, nylon, wool, linen, yarns of all kinds and description, jute, velvet, woolen, leather, leatheroitte, rexin, teri-cotton, terelyne, poly-fibre, lycra, georgette and/or any other fibrous material or blended or combination of fibrous materials and/or decorative material.*

*2. To carry on all or any of the business as spinners, weavers, doublers, engravers, embroiders, bleachers, dyers, printers, launderers, mercers calendars, knitters, yarn and rayon goods manufacturers, manufacturers of hosiery, sewing threads and other threads, worsted spinners and worsted stuff manufacturers and/or purchase, comb, prepare, spin, press, bleach, process, dye, stitch, fabricate, print and deal in textile cloth, flex, hemp, jute wool, cotton, silk, rayon, nylon decron, terryline, staple-fibre, linen, denim, lycra, georgette, leather and other fibrous substances and products and/or deal in the end products of such business as traders, stockiest, distributors, franchisers, retailers, C&F agents, mercantile agents, consignors, consignees or in any other capacity.*

*3. To carry on the business as manufactures, importers, exporters, suppliers, traders and dealers in handicrafts, handloom materials, all kinds of traditional and non-traditional antiques, art-goods, utensils, paper works, jewellery, artificial jewellery, brassware and/or any other wearing and decorative materials of every kind, nature and description."*

(c) There has been no change in the name, registered office and objects of the Resulting Company in the last 5 (five) years since its incorporation

**Capital structure and financial position of Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited**

8. The authorized and paid-up share capital of Shahi Exports Private Limited as on May 31, 2026 is as under:

There are no warrants or convertible securities outstanding as on date.

| Particulars | Amount (in Rs) |
|---|---|
| **Authorized Capital:** | |
| 1,10,00,000 Voting Equity shares (Class EQ) of INR 10/- each | 11,00,00,000 |
| 45,00,000 Non-Voting Equity Shares (EQ Class B) of INR 10/- each | 4,50,00,000 |
| 2,65,000 Preference shares of INR 10/- each | 26,50,000 |
| **Total** | **15,76,50,000** |
| **Paid-up Capital** | |
| 1,02,17,126 Voting Equity Shares (Class EQ) of INR 10/- each | 10,21,71,260 |
| 35,95,060 Non-Voting Equity Shares (EQ Class B) of INR 10/- each | 3,59,50,600 |
| **Total** | **13,81,21,860** |

Subsequent to May 31, 2026, there has been no change in the authorized and paid-up share capital.

9. The authorized and paid-up share capital of Shahi Knits Private Limited as on May 31, 2026 is as under:

| Particulars | Amount (in Rs) |
|---|---|
| **Authorized Capital:** | |
| 10,000 Equity Shares of INR 10/- each | 1,00,000 |
| **Total** | **1,00,000** |
| **Paid-up Capital:** | |
| 10,000 Equity Shares of INR 10/- each | 1,00,000 |
| **Total** | **1,00,000** |

There are no warrants or convertible securities outstanding as on date.

Subsequent to May 31, 2026, there has been no change in the authorized and paid-up share capital.

10. The authorized and paid-up share capital of HSA Apparel Private Limited as on May 31, 2026 is as under:

| Particulars | Amount (in Rs) |
|---|---|
| **Authorized Capital:** | |
| 1,00,000 Equity Shares of INR 10/- each | 10,00,000 |
| **Total** | **10,00,000** |
| **Paid-up Capital:** | |
| 10,000 Equity Shares of INR 10/- each | 1,00,000 |
| **Total** | **1,00,000** |

There are no warrants or convertible securities outstanding as on date.

Subsequent to May 31, 2026, there has been no change in the authorized and paid-up share capital.

11. The authorized and paid-up share capital of Shahi Garments Private Limited as on May 31, 2026 is as under:

| Particulars | Amount (in Rs) |
|---|---|
| **Authorized Capital:** | |
| 1,00,000 Equity Shares of INR 10/- each | 1,00,000 |
| **Total** | 1,00,000 |
| **Paid-up Capital:** | |
| 10,000 Equity Shares of INR 10/- each | 1,00,000 |
| **Total** | **1,00,000** |

There are no warrants or convertible securities outstanding as on date.

Subsequent to May 31, 2026, there has been no change in the authorized and paid-up share capital.

**Directors, Board Resolutions, report of Board**

12. Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited are managed by their respective Board of Directors, whose details as on date are as under:

**Shahi Exports Private Limited:**

| Sr. No | DIN/PAN | Name | Designation | Category | Date of Appointment |
|---|---|---|---|---|---|
| 1 | 00047490 | Jalandhar Dattubuwa Giri | Director | Non-Promoter | 10 Feb, 2010 |
| 2 | 06886628 | Ramanujam Venkat Raghavan | Director | Non-Promoter | 27 Oct, 2014 |
| 3 | 07408539 | Anbazhagan Theerthagiri | Director | Non-Promoter | 18 Jan, 2016 |
| 4 | 00057037 | Vinod Kumar Bhardwaj | Director | Non-Promoter | 21 Aug, 2009 |
| 5 | 00047548 | Harish Ahuja | Director | Promoter | 15 Jul, 2005 |
| 6 | 01338015 | Thaiyalbagam Ramalingam | Director | Non-Promoter | 02 May, 2022 |
| 7 | 07282843 | Anant Ahuja | Director | Promoter | 19 Jul, 2024 |
| 8 | 00681034 | Palghat Balakrishnan Anandapadmanabhan | Director | Non-Promoter | 02 Jan, 2024 |
| 9 | 10397893 | Alagappan Rajendran | Director | Non-Promoter | 11 Dec, 2023 |

| | | | | | |
|---|---|---|---|---|---|
| 10 | 11414908 | Deepak Puttireddy | Additional Director | Non-Promoter | 30 Jan, 2026 |
| 11 | 11502094 | Buttianda Kishen Cariappa | Additional Director | Non-Promoter | 13 Feb, 2026 |
| 12 | 11495026 | Srikanth Narisetty | Additional Director | Non-Promoter | 13 Feb, 2026 |
| 13 | AGNPK3937D | Rakesh Kumar | Company Secretary | Non-Promoter | 06 Aug, 2022 |

**Shahi Knits Private Limited:**

| Sr. No | DIN/PAN | Name | Designation | Category | Date of Appointment |
|---|---|---|---|---|---|
| 1 | 07408539 | Anbazhagan Theerthagiri | Director | Non-Promoter | 24 Mar, 2022 |
| 2 | 09538536 | Sumit Khatri | Director | Non-Promoter | 24 Mar, 2022 |
| 3 | 10819686 | Punish Katyal | Director | Non-Promoter | 25 Sep 2025 |
| 4 | 10152543 | Rajeev Hebbar | Director | Non-Promoter | 21 Nov, 2024 |

**HSA Apparel Private Limited:**

| Sr. No | DIN/PAN | Name | Designation | Category | Date of Appointment |
|---|---|---|---|---|---|
| 1 | 09748405 | Ajay Kataria | Director | Non-Promoter | 01 Oct, 2022 |
| 2 | 11185346 | Pradeep Kumar Rai | Director | Non-Promoter | 07 Jul 2025 |

**Shahi Garments Private Limited:**

| Sr. No | DIN/PAN | Name | Designation | Category | Date of Appointment |
|---|---|---|---|---|---|
| 1 | 00047548 | Harish Ahuja | Director | Promoter | 15 Dec 2025 |
| 2 | 07282843 | Anant Ahuja | Director | Promoter | 15 Dec 2025 |
| 3 | 097495556 | Rajesh Harishankar Paliwal | Director | Non-Promoter | 15 Dec 2025 |
| 4 | 10892322 | Aneet Kaur | Additional Director | Non-Promoter | 25 Feb 2026 |

13. The Scheme has been unanimously approved by the Board of Directors of Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited vide separate resolutions passed on 20.07.2026.

Further, the Board of all the companies in their respective Board meeting on 20.07.2026 has adopted a report u/s 232(2)(c) of the Act, explaining the effect of the scheme on the class of shareholders, key managerial personnel, promoters and non-promoter shareholders, which is being circulated alongwith this Notice.

14. None of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of either of the Companies and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Demerged Company or Transferor companies or the Resulting Company and/or to the extent that the said Director(s) are common director(s) of the Demerged Company or Transferor companies or the Resulting Company and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Demerged Company or Transferor companies or the Resulting Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

**Appointed Date, Relationship between the Companies, Valuation, Staff & Workmen**

15. For the purpose of the Scheme, the Appointed Date is 1st April 2026. The Scheme provides for the demerger of Apparel Business Undertaking of Shahi Exports Private Limited and the amalgamation of Transferor Company No. 1 and Transferor Company No. 2 into the Resulting / Transferee Company. w.e.f. the Appointed Date.

16. Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited are closely held companies, whose shares are not listed on any stock exchanges. The Transferor Company No. 1 and Transferor Company No. 2 are wholly owned subsidiaries of the Demerged Company. As on date, Demerged Company holds the entire beneficial interest in each of the Transferor Company No. 1 and Transferor Company No. 2 whereas in order to meet the two-shareholder requirement under the Companies Act, 2013, 1 share in each company is held by Mr. Harish Ahuja as a nominee of the Demerged Company

17. Upon sanctioning of the Scheme and in consideration for the amalgamation of the Transferor Company No. 1 and Transferor Company No. 2 into the Transferee Company in terms of this Scheme, all equity shares of the Transferor Company No. 1 and Transferor Company No. 2 shall stand cancelled. Further, in consideration for the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company in terms of this Scheme, the Resulting Company shall issue and allot to every member of the Demerged Company holding equity shares in the Demerged Company and whose names appear in the Register of Members of the Demerged Company as on such date as may be determined by the Board of Directors of the Resulting Company ("Record Date") in the following ratio:

*"1 (One) fully paid voting equity share of the Resulting Company each having a face value of INR 10/-per share to be issued for every 1 (one) fully paid voting equity share {Class EQ) of the Demerged Company, each having a face value of INR 10/-per share.*

*Further, 95 (ninety-five) fully paid voting equity shares of the Resulting Company, each having a face value of INR 10/-per share, to be issued for every 100 (hundred) fully paid non-voting equity shares of EQ Class B of the Demerged Company, each having a face value of INR 10/-per share."*

The aforesaid exchange ratio has been determined on the basis of Valuation Report issued by Kapil Nayyar, Registered Valuer (Registration No. IBBI/RV/02/2019/12155*)* and a copy of the valuation report dated 17.07.2026 is being circulated with the Notice.

18. The Scheme provides that all the staff, workmen and employees of the Apparel Business Undertaking of the Demerged Company, Transferor Company No. 1 and Transferor Company No. 2 shall deemed to have become the employees of the Resulting/ Transferee Company, without any break or interruption in their services, on not less favourable terms and conditions on which they are engaged as on the effective date.

19. As on the cut-off date being 30.06.2026, the amount due to creditors of the Demerged Company, Transferor Company 1, Transferor Company 2 and Resulting/Transferee Company are as under:

| **Company** | **Secured Creditors (Amount Due in Rs. crores)** | **Unsecured Creditors (Amount Due in Rs. crores)** |
|---|---|---|
| Shahi Exports Private Limited | 1,658.96 | 718.59 |
| Shahi Knits Private Limited | 37.01 | 151.42 |
| HSA Apparel Private Limited | 0.26 | 32.26 |
| Shahi Garments Private Limited | **NIL** | **NIL** |

20. The Scheme does not contemplate any corporate debt restructuring exercise.

21. No liabilities of the creditors of Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited is being reduced or being extinguished under the Scheme and all liabilities of the Demerged Company pertaining to the Demerged Undertaking, Transferor Company No. 1 and Transferor Company No. 2 shall stand transferred to the Resulting/Transferee Company without causing any change in the original terms as agreed. If there exists any reference in the security documents or arrangements entered into by the Demerged Company, Transferor Company No. 1 and Transferor Company No. 2 under which the assets of the Demerged Undertaking of the Demerged Company, Transferor Company No. 1 and Transferor Company No. 2 stand offered as a security for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to the Demerged Undertaking of the Demerged Company, Transferor Company No. 1 and Transferor Company No. 2 vested in the Resulting / Transferee Company by the virtue of the Scheme. The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the

Demerged Undertaking of the Demerged Company, Transferor Company No. 1 and Transferor Company No. 2 which shall vest in Resulting / Transferee Company by virtue of the Scheme. The Resulting / Transferee Company shall not be obliged to create any further or additional security thereof after the Scheme has become effective.

22. As on date, Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited, and Shahi Garments Private Limited do not have any public deposits and have not issued any secured or unsecured debentures.

23. The Scheme does not have a prejudicial effect on the key managerial personnel, directors, promoters, non-promoter members, creditors, employees of the Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited and Shahi Garments Private Limited, as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.

**Rationale of the Scheme**

24. All the companies involved in the Scheme are closely held group companies and for achieving better focus and management efficiency, the management of the companies are of the view that it is essential that the apparel business and the remaining business are housed in two separate entities. To achieve this, the Apparel Business Undertaking (including the entire holdings in the Transferor Company 1 and Transferor Company 2 , which are also engaged in the Apparel business) ("Demerged Undertaking") (defined under the Scheme) would be demerged into the Resulting Company and the remaining business ("Remaining Undertaking") would be retained in the Demerged Company. This would enable achieving greater visibility on performance of Apparel Business, global competitiveness, rationalization of business processes and reduction of volatility in the earnings streams.

25. The Board of Directors of the companies involved in the Scheme recognize the fact that there is a need to concentrate on the Demerged Undertaking due to vast scope available in the market. The Demerged Undertaking requires specialized skills and knowledge and has distinct capital requirement, cash flow profiles, operational and training requirements.

26. The nature of risk and competition involved in the Apparel Business is distinct. The investments made in this business are capable of being leveraged so as to derive better gains for shareholders. It has therefore been decided that the Demerged Undertaking should be demerged into Resulting Company.

27. The Scheme further, inter alia, envisages the amalgamation of Transferor Company 1 and Transferor Company 2, which are also engaged in the Apparel Business with the Transferee Company and transfer and vesting of all the assets, liabilities and business of the said companies in the Transferee Company.

28. This will result in consolidation of the apparel business in the Transferee Company and would, inter alia, have the following benefits.

i. The amalgamation would promote administrative convenience and would facilitate the integration of all activities of management.

ii. The amalgamation would help in the achievement of optimum utilization of various resources and the elimination of unnecessary duplication of costs, thereby helping in achieving reduction and improving control over costs.

29. Since, the Demerged Company holds multiple licenses and maintain contracts with international entities in connection with its apparel business, in order to ensure continuity particularly with international clientele, and minimal operational disruption of the apparel business, upon the Scheme becoming effective, it is proposed that the name of the Demerged Company shall stand changed to "Shahi Industries Private Limited" or any other name as approved by the Registrar of Companies and the Resulting/Transferee Company shall acquire the name of the Demerged Company and accordingly, the name of the Resulting Company shall stand changed to "Shahi Exports Private Limited".

30. The proposed Composite Scheme of Arrangement is in the larger interests of the Demerged Company, the Resulting Company and the Transferor Company 1 & 2, and its shareholders, creditors and employees. There is no likelihood that any shareholder or creditor of either the Demerged Company or the Resulting Company or the Amalgamating Company would be prejudiced as a result of the Scheme.

31. With the aforesaid objectives, the Board of Directors of Shahi Garments Private Limited, Shahi Exports Private Limited, Shahi Knits Private Limited & HSA Apparels Private Limited seek to merge Shahi Knits Private Limited & HSA Apparels Private Limited into Shahi Garments Private Limited and also restructure the business of Shahi Exports Private Limited by transferring and vesting the Apparel business with Shahi Garments Private Limited.

32. The rationale and benefit of the proposed scheme have been duly provided in detailed and captured in the Scheme attached with this notice/explanatory statement.

**Accounting Treatment**

33. With regard to the Demerged Company, the Scheme provides that:

a. All the assets, liabilities and reserves of the Demerged Company pertaining to the Demerged Undertaking, being transferred to the Resulting Company, shall be reduced from the books of accounts of the Demerged Company at their respective carrying values.

b. The excess/ deficit of the net assets of the Demerged Undertaking standing in the books of accounts of the Demerged Company and transferred to the Resulting Company on the Appointed Date and subject to expenses of Demerger of Demerged Undertaking as referred in Part IV Clause L of the Scheme, shall be recorded in accordance with applicable Indian Accounting Standards ("IND AS") notified under section 133 of the Act.

34. As the Transferor Company No. 1 and Transferor Company No. 2 shall stand dissolved without being wound up, there is no accounting treatment prescribed under under Section 133 of the Companies Act, 2013 in the books of the Transferor Companies.

35. With regard to the Resulting Company, the Scheme provides that:

a. The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at their respective carrying values thereof appearing in the books of accounts of the Demerged Company as on the Appointed Date.

b. The identity of the reserves shall be preserved, and they shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company.

c. The inter-corporate balances, if any, between the Resulting Company and the Demerged Undertaking of the Demerged Company shall be eliminated.

d. The face value of equity shares issued by the Resulting Company pursuant to Part II Clause 4 shall be credited to the equity share capital account of the Resulting Company.

e. The surplus/ deficit, if any, arising after taking the effect of sub-clauses (a), (b), (c) and (d) above shall be transferred to "Capital Reserve" in the books of the Resulting Company in accordance with the accounting principles prescribed under Appendix C of Ind AS 103 (Business combinations of entities under common control).

f. In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, will be quantified and shall be adjusted in the capital reserve, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.

g. Notwithstanding the above, the Board of the Resulting Company, in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the prescribed accounting standards as applicable to the Resulting Company.

36. With regard to the Transferee Company, the Scheme provides that:

The amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with "Pooling of interest method" as per Appendix C of Indian Accounting Standard (IND AS) 103 for Business Combinations prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting standard) Rules, 2015, as may be amended from time to time such that:

a. Upon the Composite Scheme becoming effective and with effect from the Appointed Date, for the purpose of accounting for and dealing with the value of

the assets and liabilities in the books of the Transferee Company, the Transferee Company shall record all the assets and liabilities of the Transferor Companies transferred to and vested in the Transferee Company pursuant to this Composite Scheme, at their respective book values as appearing in the books of the Transferor Companies.

b. The Transferee Company shall preserve the identity of the reserves of the Transferor Companies transferred to and vested in the Transferee Company and shall record in its books in the same form in which they appear in the books of the Transferor Companies.

c. No new shares will be issued or allotted by the Transferee Company pursuant to this Composite Scheme.

d. Loans and advances, receivables, payables and other dues outstanding between the Transferor Companies and Transferee Company (including the same transferred pursuant to Demerger of the Demerged Undertaking to the Transferee Company) will stand cancelled and there shall be no further obligation/outstanding in that behalf.

e. The value of investments held by the Transferee Company in the Transferor Companies shall stand cancelled pursuant to Amalgamation.

f. The surplus/deficit, if any arising after taking the effect of this sub – clause (a), (b), (c) and (e) and after adjustment of sub - clause (d) above shall be transferred to "Capital Reserve" or any other appropriate component of the equity in the financial statements of the Transferee Company and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

g. In case of any difference in accounting policy/ies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference till the Effective Date will be quantified and adjusted as per the applicable accounting standards, to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policy.

**37.** The aforesaid accounting treatment in relation to the Demerged Company and Resulting/ Transferee Company is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 and the same has been certified by the statutory auditors of the Transferee Company. Copy of the said certificate is annexed to the notice.

**Other Declarations and compliances**:

38. No investigation or proceedings under the Companies Act, 1956/ the Companies Act, 2013 or under any other Act/ statute have been instituted or are pending in relation to the Demerged Company or Transferor Company No. 1 or Transferor Company No. 2 or Resulting/ Transferee Company.

39. The Scheme does not envisage reduction of share capital of the Transferee Company and the proposed Scheme is not a corporate debt restructuring scheme.

40. No winding up or insolvency petition is admitted against the Demerged Company or Transferor Company No. 1 or Transferor Company No. 2 or Resulting/ Transferee Company and no legal proceedings having any material impact on the Scheme is pending against the Demerged Company or Transferor Company No. 1 or Transferor Company No. 2 or Resulting/ Transferee Company.

41. The Applicant Companies have availed benefits under the Export Promotion Capital Goods (EPCG) Scheme and otherwise and has outstanding export obligations. Further transfer of capital goods from one unit to another unit may require approval of EPCG Committee in the Director General of Foreign Trade ("DGFT") and hence, notices will be specifically issued to DGFT along with other statutory authorities for their comments/review.

42. The Scheme does not fall within the purview of the Competition Act, 2002, and in any event the present scheme is exempted in terms of item 12 of Schedule r.w. Rule 3 of the Competition (Criteria for Exemption of Combinations) Rules, 2024.

**Inspection of Documents**

43. The following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by the creditors at the Registered Office of the Demerged Company or Transferor Company No. 1 or Transferor Company No. 2 or Resulting/ Transferee Company at IP-1, Sector-28, Faridabad, Haryana - 121008, India up to one day prior to the date of the meeting between 10.00 A.M to 5.00 P.M on all working days (except Saturdays, Sundays and public holidays):

(i) Copy of the Order dated 24 September 2026 and order dated 16 October 2026 passed by the Hon'ble Tribunal in CA (CAA) No.25/Chd/Hry/2026;
(ii) Copy of the Scheme;
(iii) Copies of the Audited Financial Statements of the Applicant Companies for the financial year ended March 31, 2026;
(iv) Copies of the Provisional Financial Statements of the Applicant Companies as on 30.06.2026;
(v) Certificates of Statutory Auditors of the Applicant Companies confirming that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Act;
(vi) Valuation Report issued by Kapil Nayyar, Registered Valuer Entity (Registration No. IBBI/RV/02/2019/12155) dated July 17, 2026;
(vii) Copy of the Board resolution dated July 20, 2026 of the Applicant Companies with Board Report;
(viii) Split Balance Sheet illustrative split balance sheet of the Demerged Undertaking and the Remaining Undertaking of Shahi Exports Private Limited as on 31.05.2026.

44. In compliance with the directions of the Hon'ble NCLT and the requirement of Section 230(5) of the Companies Act, 2013 and Rule 6 of the Companies (Compromises,

Arrangements and Amalgamations) Rules, notice in the prescribed form and seeking approvals, sanctions or no-objections shall be served to the following statutory authorities:

(i) Regional Director, Northern Region Directorate II, Chandigarh
(ii) Official Liquidator attached to the Hon'ble Punjab & Haryana, High Court
(iii) Registrar of Companies, Haryana at Chandigarh,
(iv) Jurisdictional Income Tax Authority, through the Nodal Authority in the Income-Tax Department - – Principal Chief Commissioner of Income Tax, NWR
(v) Reserve Bank of India (RBI);
(vi) Director General of Foreign Trade, Department of Commerce & Industry, Udyog Bhavan, New Delhi – 110011

45. In view of the information provided hereinabove and the documents attached along with this Notice and Explanatory statement, the requirements of Section 232(2) of the Companies Act, 2013 have been complied with.

46. A copy of the Scheme and Explanatory Statement may be obtained free of cost from the Registered Office of the Companies between Monday to Friday between 10:00 am to 5:00 pm, up to the date of the meeting or by email to the authorised representative at secmtgs@shahi.co.in

Sd/-
Dharam Paul Gupta
Chairperson appointed by Hon'ble NCLT, Chandigarh Bench
in CA(CAA) No. 25/Chd/Hry/2026
vide Order dated 24 September 2026
read with Order dated 16 October 2026

**Date**: 05 November, 2026
**Registered Office**:
**(CIN: U65110HR2005PTC142404)**
IP-1, Sector-28, Faridabad, Sector-29, Haryana-121008

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Annexure A

**COMPOSITE SCHEME OF ARRANGEMENT**

**BETWEEN**

**SHAHI EXPORTS PRIVATE LIMITED**

**AND**

**SHAHI KNITS PRIVATE LIMITED**

**AND**

**HSA APPAREL PRIVATE LIMITED**

**AND**

**SHAHI GARMENTS PRIVATE LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**(UNDER SECTION 230 TO 232 OF THE COMPANIES ACT, 2013)**

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## PREAMBLE

This Composite Scheme of Arrangement ("Composite Scheme" or the "Scheme") has been formulated and presented pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 and any other relevant provisions of the Companies Act, 2013:

a) The demerger of the Apparel Business Undertaking of Shahi Exports Private Limited ('**Demerged Company**' or '**SEPL**') into Shahi Garments Private Limited ('**Resulting Company/Transferee Company** or '**SGPL**');

b) The amalgamation of Shahi Knits Private Limited ('**Transferor Company No. 1**' or 'SKPL') and HSA Apparel Private Limited ('**Transferor Company No. 2**' or 'HAPL') into **Transferee Company**;

c) Various other matters incidental, consequential or otherwise integrally connected therewith.

## A. DESCRIPTION OF THE PARTIES AND BACKGROUND

1. Shahi Exports Private Limited (hereinafter referred to as **Demerged Company**' or '**SEPL**') is a private company incorporated on 15 July 2005 under the Companies Act, 1956 with registered office situated at IP-1, Sector-28, Faridabad, Sector 29, Haryana - 121008, India. The CIN of SEPL is U65110HR2005PTC142404. The company is primarily engaged in designing, manufacturing, and selling a wide range of readymade garments and fabric items, catering to the needs of several leading international fashion brands and retailers.

2. Shahi Knits Private Limited ('**Transferor Company No. 1**' or '**SKPL**') is a private company incorporated on 24 March 2022 under the Companies Act, 2013 with registered office situated at IP-1, Sector-28, Faridabad, Faridabad Sector 29, Faridabad, Faridabad, Haryana, India, 121008. The CIN of SKPL is

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SHAHI EXPORTS PVT. LTD.

Shahi Knits Private Limited

Shahi Garments Private Limited

HSA Apparel Private Limited

U17299HR2022PTC141698. The company is primarily engaged in business of fabric processing, designing, manufacturing and selling, wide range of fabric items.

3. HSA Apparel Private Limited ('**Transferor Company No. 2**' or '**HSAAPL**') is a private company incorporated on 21 July 2008, under the Companies Act, 1956 with registered office situated at IP-1, Sector-28, Faridabad, Faridabad Sector 29, Faridabad, Faridabad, Haryana, India, 121008. The CIN of HSAAPL is U17120HR2008PTC141699. The company is primarily engaged in business designing, manufacturing and selling, wide range of readymade garments and fabric items and caters to the needs of several leading international fashion brands and retailers.

4. Shahi Garments Private Limited ('**Resulting/Transferee Company**' or '**SGPL**') is a private company incorporated on 15 December 2025, under the Companies Act, 2013 with registered office situated at Industrial Plot-1, Sector-28, Mathura Road, Faridabad- 121003, Haryana, India. The CIN of SGPL is **U14101HR2025PTC139262**. The Company is incorporated to engage into the business of manufacturing and exporting readymade garments.

## B. PARTS OF THE SCHEME

a) **PART I** deals with definitions, interpretation, effective date and share capital;
b) **PART II** deals with the demerger of the Apparel Business Undertaking of the Demerged Company into the Resulting/Transferee Company in accordance with sections 230 to 232 of the Act and subsequent name change of the Demerged Company and the Resulting Company;
c) **PART III** deals with the amalgamation of Transferor Company No. 1 and Transferor Company No. 2 into and with the Transferee Company in accordance with sections 230 to 232 of the Act;
d) **PART IV** deals with the General Terms and Conditions applicable to the Composite Scheme.

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SHAHI EXPORTS PVT. LTD.

Shahi Knits Private Limited

Shahi Garments Private Limited

HSA Apparel Private Limited

## C. RATIONALE AND OBJECTIVE OF THE COMPOSITE SCHEME

1. All the companies involved in the Scheme are closely held group companies and for achieving better focus and management efficiency, the management of the companies are of the view that it is essential that the apparel business and the remaining business are housed in two separate entities. To achieve this, the Apparel Business Undertaking (including the entire holdings in the Transferor Company 1 and Transferor Company 2 , which are also engaged in the Apparel business) ("Demerged Undertaking") (defined hereinafter) would be demerged into the Resulting Company and the remaining business ("Remaining Undertaking") would be retained in the Demerged Company. This would enable achieving greater visibility on performance of Apparel Business, global competitiveness, rationalization of business processes and reduction of volatility in the earnings streams.

2. The Board of Directors the companies involved in the Scheme recognize the fact that there is a need to concentrate on the Demerged Undertaking due to vast scope available in the market. The Demerged Undertaking requires specialized skills and knowledge and has distinct capital requirement, cash flow profiles, operational and training requirements.

3. The nature of risk and competition involved in the Apparel Business is distinct. The investments made in this business are capable of being leveraged so as to derive better gains for shareholders. It has therefore been decided that the Demerged Undertaking should be demerged into Resulting Company.

4. The Scheme further, inter alia, envisages the amalgamation of Transferor Company 1 and Transferor Company 2, which are also engaged in the Apparel Business with the Transferee Company and transfer and vesting of all the assets, liabilities and business of the said companies in the Transferee Company.

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SHAHI EXPORTS PVT. LTD.

Shahi Knits Private Limited

Shahi Garments Private Limited

HSA Apparel Private Limited

5. This will result in consolidation of the apparel business in the Transferee Company and would, inter alia, have the following benefits.

   i. The amalgamation would promote administrative convenience and would facilitate the integration of all activities of management.

   ii. The amalgamation would help in the achievement of optimum utilization of various resources and the elimination of unnecessary duplication of costs, thereby helping in achieving reduction and improving control over costs.

6. Since, the Demerged Company holds multiple licenses and maintain contracts with international entities in connection with its apparel business, in order to ensure continuity particularly with international clientele, and minimal operational disruption of the apparel business, upon the Scheme becoming effective, it is proposed that the name of the Demerged Company shall stand changed to "Shahi Industries Private Limited" or any other name as approved by the Registrar of Companies and the Resulting/Transferee Company shall acquire the name of the Demerged Company and accordingly, the name of the Resulting Company shall stand changed to "Shahi Exports Private Limited".

7. The proposed Composite Scheme of Arrangement is in the larger interests of the Demerged Company, the Resulting Company and the Transferor Company 1 & 2, and its shareholders, creditors and employees. There is no likelihood that any shareholder or creditor of either the Demerged Company or the Resulting Company or the Amalgamating Company would be prejudiced as a result of the Scheme.

8. With the aforesaid objectives, the Board of Directors of SGPL, SEPL, SKPL & HSA seek to merge SKPL & HSA into SGPL and also restructure the business of SEPL by transferring and vesting the Apparel business with SGPL.

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SHAHI EXPORTS PVT. LTD.

Shahi Knits Private Limited

Shahi Garments Private Limited

HSA Apparel Private Limited

## PART I – DEFINITIONS AND SHARE CAPITAL

### A. DEFINITIONS AND REFERENCES

In this Scheme, unless repugnant to or inconsistent with the subject or context, the following expressions shall have the following meaning:

1. **"Act"** or **"the Act"** means the Companies Act, 2013 and shall include any ordinances, rules and regulations made thereunder and statutory modifications, re-enactment or amendments thereof.

2. **"Applicable Law"** means any statute, notification, byelaws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, orders or instructions having the force of law enacted or issued by any appropriate authority including any statutory modification or re-enactment thereof for the time being in force.

3. **"Amalgamation"** shall mean the transfer and vesting of the entire business of the Transferor Companies in the Transferee Company in accordance with the Composite Scheme.

4. **"Apparel Business Overseas Investment"** means the overseas investment made by the Demerged Company related to Apparel Business, comprising the equity and the debt therein.

5. **"Appointed Date"** for the purposes of the Composite Scheme and for Income Tax Act shall mean April 1, 2026 or such other date as may be approved by the NCLT or other approving authority in relation to the Demerger and/or Amalgamation.

6. **"Approving Authority"** means NCLT or any other authority having jurisdiction and power to sanction the proposed Composite Scheme.

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SHAHI EXPORTS PVT. LTD. Shahi Knits Private Limited Shahi Garments Private Limited HSA Apparel Private Limited

7. The "**Board of Directors**" or "**Board**" means Board of Directors of Demerged Company, Transferor Companies or Transferee Company, as the context may suggest, and shall also include a duly constituted committee thereof, if any.

8. **"Composite Scheme of Arrangement"** or **"the Composite Scheme"** or **"this Composite Scheme"** or **"this Scheme"** means this Composite Scheme of Arrangement in its present form as submitted to the NCLT with such modification(s), if any made, as per Part IV, clause G of the Composite Scheme.

9. **"Demerged Company" or "SEPL"** as the context may require, means Shahi Exports Private Limited, a private company incorporated under the Companies Act, 1956 on 15 July 2005 and having its registered office at IP-1, Sector-28, Faridabad, Sector 29, Haryana – 121008. The Corporate Identity Number of the Company is U65110HR2005PTC142404.

10. **"Demerged Undertaking"** or **"Apparel Business"** or **"Apparel Business Undertaking"** shall mean and include all the business, undertakings, properties, investments (including but not limited to investments in the Transferor Companies) and liabilities of whatsoever nature and kind and wheresoever situated, of the Demerged Company, in relation to and pertaining to the **"Apparel Business"** and its ancillary supporting businesses such as textiles and captive renewable power in relation thereto on a going concern basis, together with all its assets and liabilities and shall mean and include (without limitation):

    - any and all the properties and assets whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to following:
        - earmarked land parcels, all buildings, structures, erections and improvements thereon or appurtenant thereto (whether on freehold or leasehold land and whether owned, occupied, used, held for use, or

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otherwise pertaining to and forming part of the Apparel Business Undertaking of the Demerged Company),

- all fixed and movable plant and machinery, leasehold or freehold, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, raw materials, finished goods, vehicles, stores and spares, loose tools, sundry debtors furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipments, electricals, appliances, accessories, deferred tax assets and investments related to Apparel Business of the Demerged Company;

- all liabilities present and future including the contingent liabilities related to Apparel Business of the Demerged Company;

- any and all rights and licenses including, all assignments and grants thereof, all permits, quotas, holidays, benefits, clearances and registrations whether applied for, granted, pending, under process, conditional or otherwise under Central, State or other laws, rights (including rights/ obligations under any agreement, contracts, applications pending or otherwise, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, GST/Service Tax credits, GST credits, MAT credit, tax deducted and / or collected at source), tax deferrals, advance tax credit, deferred tax assets, incentives or schemes of central/ state/ local governments, certifications and approvals, regulatory approvals, entitlements, other licenses, environmental clearances, municipal permissions, approvals, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Demerged Company, funds belonging to or

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proposed to be utilised by the Demerged Company, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company or any powers of attorney issued in favour of the Demerged Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority, including any matters pending before such authorities to which the respective Demerged Company was a party), powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits duties and obligations of all agreements, contracts and arrangements and all other interests related to the Apparel Business of the Demerged Company;

- all rights to use the work experience, qualifications, capabilities, legacies and track record with national & international companies, government / non-government agencies / bodies, contracts with clients and with vendors, (including past performance, track record, financials etc.) of the Demerged Undertaking, acquired by reason of the completion of various projects and works, certificates of completion of projects or works issued by the clients and the right to use all these for qualifying for any tender or project or request for proposals that may be issued at any time;

- All necessary records, files, papers, process information, computer programmes, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Apparel business of the Demerged Company

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- all employees who are on the payroll of the Demerged Company, related to the Apparel Business of the Demerged Company, immediately preceding the Effective Date;

- any and all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, earnest moneys and/ or security deposits paid or received by the Demerged Company related to the Apparel Business of the Demerged Company;

- all intellectual property rights including all trademarks, trademark applications, trade names, patents and patent applications, domain names, logo, websites, internet registrations, copyrights, trade secrets, service marks, quality certifications and approvals and all other interests exclusively relating to the Demerged Company related to Apparel Business of the Demerged Company.

It is intended that the definition of Demerged Undertaking under this clause would enable the transfer of all properties, assets, rights, liabilities, employees etc. of the Demerged Company to the Resulting Company pursuant to this Composite Scheme except the Remaining Business of the Demerged Company.

11. **"Effective Date"** means the date on which the authenticated copy or the certified copy of the order, whichever is earlier, issued by the NCLT, sanctioning this Composite Scheme of Arrangement is filed with the concerned Registrar of Companies, after obtaining the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders and if the authenticated / certified copies are filed on different dates, the last of such dates. References herewith to "the coming into effect of this Composite Scheme "or "this Composite Scheme becoming effective" shall mean the Composite Scheme of Arrangement becoming operational on the Effective Date with effect from the Appointed Date.

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12. **"Encumbrance" or to "Encumber"** means without limitation any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law.

13. **"Equity Share(s)"** means equity shares of the Demerged Company, Transferor Companies or the Transferee Company, as the case may be.

14. **"IT Act"** means the Income Tax Act, 1961 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force, including but not limited to Income Tax Act, 2025.

15. **"NCLT" or "Tribunal"** means the National Company Law Tribunal, Chandigarh bench, as constituted and authorized as per section 2(90) of the Act, for approving the Composite Scheme of Arrangement under the relevant provisions of the Act.

16. "**NCLT Order**" means all order(s) passed by the NCLT sanctioning the Composite Scheme of Arrangement and includes any orders passed by NCLT or any other Governmental Authority's order(s) for extension of time or condonation of delay in filing of the requisite forms with the Registrar of Companies in relation to this Composite Scheme of Arrangement, if applicable.

17. **"Record Date"** means the date to be fixed by the Board of Directors of the Demerged Company and the Transferee Company in consultation with the Demerged Company for the purpose of determining the shareholders of the Demerged Company to whom the Equity Shares of the Resulting Company / Transferee Company shall be allotted pursuant to the Demerger under this Composite Scheme.

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18. **"Registrar of Companies"** means Registrar as defined under Section 2(75) of the Act having jurisdiction over the Demerged Company, Transferor Companies and Transferee Company.

19. **"Rupees"** or **"Rs"** or **"INR"** means the lawful currency of India.

20. **"Remaining Business"** means the business, assets, liabilities, undertakings of the Demerged Company other than the Demerged Undertaking being demerged pursuant to the Scheme.

21. **"Share Capital"** means, if not specified, authorized, issued, subscribed and paid up Equity Share Capital of the Demerged Company, Transferor Companies and Transferee Company and Preference Shares Capital of the Demerged Company, Transferor Companies and Transferee Company, as the case may be.

22. **"Transferor Company No. 1"** means Shahi Knits Private Limited, a private company incorporated on 24 March 2022 under the Companies Act, 2013 with registered office situated at IP-1, Sector-28, Faridabad, Faridabad Sector 29, Faridabad, Faridabad, Haryana, India, 121008, The CIN of the company is U17299HR2022PTC141698.

23. **"Transferor Company No. 2"** means HSA Apparel Private Limited, a private company incorporated on 21 July 2008 under the Companies Act, 1956 with registered office situated at IP-1, Sector-28, Faridabad, Faridabad Sector 29, Faridabad, Faridabad, Haryana, India, 121008. The CIN of the company is U17120HR2008PTC141699.

24. **"Transferor Companies"** means the Transferor Company No. 1 and Transferor Company No. 2 collectively.

25. **"Transferee Company"** means Shahi Garments Private Limited, a private company incorporated on 15 December 2025, under the Companies Act, 2013 with registered

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office situated at situated at Industrial Plot-1, Sector-28, Mathura Road, Faridabad-121003, Haryana, India.

Unless repugnant to the context, the terms not defined under this Scheme/Composite Scheme shall have the meaning ascribed to the same under the Act.

**B. INTERPRETATION**

1. In addition to the above terms, certain terms may be defined elsewhere in this Composite Scheme and wherever such terms are used in this Composite Scheme, they shall have the meaning so assigned to them.

2. The terms referred to in this Composite Scheme shall, unless defined otherwise in this Composite Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.

3. All references in this Composite Scheme to statutory provisions shall be construed as meaning and including references to:

   a) any statutory modification, consolidation or re-enactment made after the date of approval of this Scheme by the Boards of Demerged Company, Transferor Companies and Resulting/Transferee Company and for the time being in force;

   b) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);

   c) all statutory instruments or orders made pursuant to a statutory provision; and

   d) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.

4. Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

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5. Headings, sub-headings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Composite Scheme or the schedules hereto and shall be ignored in construing the same.

6. References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Composite Scheme.

7. Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.

8. Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

9. The words "include" and "including" are to be construed without limitation.

10. Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

## C. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Composite Scheme set out herein in its present form or with any modification(s), if any, made in accordance with the provisions of the Composite Scheme and the directions of the Tribunal, though operative from the Appointed Date, shall only become effective from the Effective Date.

## D. COMPLIANCE WITH TAX LAWS

This Composite Scheme, has been drawn up to comply with the conditions relating to "Demerger" and "Amalgamation" as specified under the tax laws, specifically Section 2(19AA)/ 2(35), Section 2(1B)/ 2(6) and Section 47/ 70 of the Income Tax Act, 1961/ Income Tax Act, 2025 respectively, and all other relevant sections of the IT Act If any terms or provisions of the Composite Scheme are found to be or interpreted to be

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inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. The Composite Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of the Composite Scheme.

## E. CAPITAL STRUCTURE

1. The share capital of the Demerged Company as at March 31, 2025 is set out below:

| Particulars | Amount in INR |
|---|---|
| **Authorised Capital** | |
| 1,10,00,000 Voting Equity Shares (Class EQ) of INR10/- each | 11,00,00,000 |
| 45,00,000 Non-Voting Equity Shares (EQ Class B) of INR10/- each | 4,50,00,000 |
| 2,65,000 Preference Shares of INR10/- each | 26,50,000 |
| **Total** | **15,76,50,000** |
| **Paid-up Capital** | |
| 1,02,17,126 Voting Equity Shares (Class EQ) of INR10/- each | 10,21,71,260 |
| 35,95,060 Non-Voting Equity Shares (EQ Class B) of INR10/- each | 3,59,50,600 |
| 15,000 Non-Cumulative Redeemable Preference Shares of INR 10/- each | 1,50,000 |
| **Total** | **13,82,71,860** |

Subsequent to March 31, 2025, the Demerged Company has redeemed the Non-Cumulative Redeemable Preference Shares and the revised capital structure as on the date of approval by the Board of Directors of the said Scheme, is as under:

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| Particulars | Amount in INR |
|---|---|
| **Authorised Capital** | |
| 1,10,00,000 Voting Equity Shares (Class EQ) of INR10/- each | 11,00,00,000 |
| 45,00,000 Non-Voting Equity Shares (EQ Class B) of INR10/- each | 4,50,00,000 |
| 2,65,000 Preference Shares of INR10/- each | 26,50,000 |
| **Total** | **15,76,50,000** |
| **Paid-up Capital** | |
| 1,02,17,126 Voting Equity Shares (Class EQ) of INR10/- each | 10,21,71,260 |
| 35,95,060 Non-Voting Equity Shares (EQ Class B) of INR10/- each | 3,59,50,600 |
| **Total** | **13,81,21,860** |

2. The share capital of Transferor Company No. 1 as at March 31, 2025 as per the audited financial statements is set out below:

| Particulars | Amount in INR |
|---|---|
| **Authorised Capital** | |
| 10,000 Equity Shares of INR10/- each | 1,00,000 |
| **Total** | **1,00,000** |
| **Paid-up Capital** | |
| 10,000 Equity Shares of INR10/- each | 1,00,000 |
| **Total** | **1,00,000** |

Subsequent to March 31, 2025 and till the date of approval by the Board of Directors to the said Scheme, there is no change in the authorized and paid-up share capital.

3. The share capital of Transferor Company No. 2 as at March 31, 2025 as per the audited financial statements is set out below:

| Particulars | Amount in INR |
|---|---|

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| **Authorised Capital** | |
|---|---|
| 100,000 Equity Shares of INR10/- each | 10,00,000 |
| **Total** | **10,00,000** |
| **Paid-up Capital** | |
| 10,000 Equity Shares of INR10/- each | 1,00,000 |
| **Total** | **1,00,000** |

Subsequent to March 31, 2025 and till the date of approval by the Board of Directors to the said Scheme, there is no change in the authorized and paid-up share capital.

**4.** The Transferee/Resulting Company is a newly incorporated company and as on the date of approval of the Scheme by the Board of Directors, the share capital of Transferee/Resulting Company is set out below:

| **Particulars** | **Amount in INR** |
|---|---|
| **Authorised Capital** | |
| 10,000 Equity Shares of INR10/- each | 1,00,000 |
| **Total** | **1,00,000** |
| **Paid-up Capital** | |
| 10,000 Equity Shares of INR10/- each | 1,00,000 |
| **Total** | **1,00,000** |

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## PART II

## DEMERGER OF DEMERGED UNDERTAKING OF DEMERGED COMPANY INTO RESULTING COMPANY

### 1. DEMERGER OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY

1.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking shall, pursuant to the provisions contained in Section 230 to 232 of the Act and other provisions of law for the time being in force and without any further act or deed, be demerged from the Demerged Company, and be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company, on a going concern basis, so as to become as and from the Appointed Date, the undertaking of the Resulting Company, and to vest in the Resulting Company all the rights, title, interest or obligations of the Demerged Company therein. Upon the Scheme becoming effective and with effect from the Appointed Date, the Apparel Business Overseas Investment (including all their dues) shall stand transferred to and vested in the Resulting Company without any further act or deed

1.2 All assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date in relation to or pertaining to Demerged Undertaking shall also stand transferred to and vested in the Resulting Company upon the coming into effect of the Scheme. Where any of the investments and assets of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been sold or transferred by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.

1.3 In respect of the assets of the Demerged Undertaking (mentioned in Clause 1.1 and Clause 1.2 above) as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over, or endorsed and delivered, by the Demerged Company and

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shall become the property of the Resulting Company as an integral part of the Demerged Undertaking transferred to it. The aforesaid transfer shall be deemed to take effect from the Appointed Date without requiring any deed or instrument of conveyance for the same. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Demerged Company and the Board of Directors of the Resulting Company.

1.4 In respect of movables of the Demerged Undertaking other than those specified in Clause 1.3 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this sub-clause, and such transfer shall be effected by notice to the concerned persons, or in any manner as may be mutually agreed by the Resulting Company and the Demerged Company.

1.5 In respect of the assets of the Demerged Undertaking other than those referred to in Clause 1.3 and 1.4 above, the same shall without any further act, instrument or deed be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company pursuant to the Act and other applicable provisions of law. The mutation of the title to the immovable properties in favor of the Resulting Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and it shall become effective in accordance with the terms hereof.

1.6 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations and no-objection certificates obtained by the Demerged Company for the operations of the Demerged Undertaking in terms of the various statutes and/ or schemes of Union and State Governments, shall be available to and vest in the Resulting Company, without any further act or deed and shall be

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appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company. Since the Demerged Undertaking will be transferred to and vested in the Resulting Company as a going concern without any break or interruption in the operations thereof, the Resulting Company shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations and no-objection certificates and to carry on and continue the operations of the Demerged Undertaking on the basis of the same upon this Scheme becoming effective.

Further, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licenses, certificates, authorities, powers of attorneys given by, issued to or executed in favour of the Demerged Company, and the rights, benefits, subsidies, special status under the same shall, in so far as they relate to the Demerged Undertaking and all other interests relating to activities carried on by the Demerged Undertaking, and all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the Demerged Undertaking, be transferred to and vested in the Resulting Company.

1.7 It is clarified that, upon the coming into effect of the Scheme, the following liabilities and obligations of the Demerged Company as on the Appointed Date and being a part of the Demerged Undertaking shall, without any further act or deed be and shall stand transferred to the Resulting Company:

(a) the liabilities which arose out of the activities or operations of the Demerged Undertaking;

(b) specific loans or borrowings raised, incurred, and utilized solely for the activities or operations of the Demerged Undertaking;

(c) in cases other than those referred to in sub-clauses (a) and (b) above, proportionate part of the general or multipurpose borrowings and liabilities of

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the Demerged Company allocable to the Demerged Undertaking in the same proportion in which the value of the assets transferred under this Scheme bears to the total value of the assets of the Demerged Company immediately before the demerger.

1.8 All loans/credit facilities raised/sanctioned and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become its liabilities and obligations.

1.9 Upon the coming into effect of this Scheme, the balances as on the Appointed Date of general or multipurpose borrowings shall be transferred to and assumed by the Resulting Company in the proportion provided in Clause 1.7(c) above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of the Resulting Company. However, without prejudice to such transfer of proportionate liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Resulting Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Demerged Company, which in turn shall make payments to the respective creditors.

1.10 Upon the coming into effect of this Scheme, in so far as the security in respect of the liabilities of the Demerged Company for Demerged Undertaking as on the Appointed Date is concerned, it is hereby clarified that the Demerged Company and the Resulting Company shall, subject to confirmation by the concerned creditor(s), mutually agree upon and arrange for such security as may be considered necessary to secure such liabilities, and obtain such consents under law as may be prescribed.

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Provided however, any reference in any security documents or arrangements (to which any of the Demerged Company is a party) to the assets of the Demerged Company offered or agreed to be offered as security for any financial assistance or obligations pertaining to the Demerged Undertaking, shall be construed as reference only to the assets pertaining to the Demerged Undertaking of the Demerged Company as are vested in the Resulting Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Demerged Company or any of the other assets of the Resulting Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Demerged Company vested in the Resulting Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Demerged Company which shall vest in the Resulting Company by virtue of the demerger of the Demerged Undertaking into the Resulting Company and the Resulting Company shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

1.11 Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Resulting Company and the Demerged Company shall execute instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies, to give formal effect to the above provisions, if required.

**2. REMAINING BUSINESS OF THE DEMERGED COMPANY**

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2.1 The Remaining Business shall continue to belong to and be vested in and be managed by the Demerged Company.

2.2 Further, all proceedings, by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business shall be continued and enforced by or against the Demerged Company after the Effective Date.

2.3 With effect from the Appointed Date and up to and including the Effective Date:

a) all profits accruing to the Demerged Company or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, continued to be treated as the profits or losses, as the case may be, of the Demerged Company; and

b) all assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall continue to belong and remain vested in the Demerged Company.

## 3. COMPLIANCE WITH TAX LAWS

The demerger of Demerged Undertaking of the Demerged Company into the Resulting Company has been drawn up to comply with the conditions relating to "Demerger" as specified under the tax laws, including Section 2(19AA)/ 2(35) of the Income Tax Act, 1961/ Income tax Act, 2025 respectively, and all other relevant Sections of the IT Act.

If any terms or provisions of the Part are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. This Part shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of the Scheme, and the power

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to make any such amendments shall vest with the Board of Directors of the Resulting Company and the Demerged Company.

## 4. ISSUE OF SHARES ON DEMERGER

4.1 Upon the Scheme coming into effect and in pursuance of the demerger of the Demerged Undertaking into the Resulting Company pursuant to this Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot to the equity shareholders of the Demerged Company and whose name is recorded in the register of members of the Demerged Company as holding equity shares on the Record Date, pursuant to the option that may be exercised by them, in the following ratio:

> *"**1 (One) fully paid voting equity share** of the Resulting Company each having a face value of INR 10/- per share to be issued for **every 1 (one) fully paid voting equity share (Class EQ)** of the Demerged Company, each having a face value of INR 10/- per share.*
>
> *Further, **95 (ninety-five) fully paid voting equity shares** of the Resulting Company, each having a face value of INR 10/- per share, to be issued for **every 100 (hundred) fully paid non-voting equity shares of EQ Class B** of the Demerged Company, each having a face value of INR 10/- per share."*

**Other terms**

4.2 The share entitlement specified in Clause 4.1 shall be suitably adjusted for changes in the capital structure of either the Resulting Company or the Demerged Company post the date of the Board Meeting approving the Scheme provided the changes relate to matters such as bonus issue, split of shares, consolidation of shares and any increase in paid up share capital. All such adjustments to the share entitlement ratio shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of both the Resulting Company and the Demerged Company.

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4.3 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Resulting Company, shall be empowered in appropriate cases, even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Demerged Company/ the Resulting Company.

4.4 The Resulting Company shall appropriately increase its authorized share capital and pay all requisite fees to accommodate issuance of shares to the shareholders of the Demerged Company as provided in clause 4.1 above.

4.5 The issuance of shares on demerger will be subject to relevant provisions of the Memorandum and Articles of Association of the Resulting Company and upon the issue of shares on Demerger in terms of Clause 4.1 above, the provisions of Section 62 read with section 42 of the Act shall be deemed to have been complied with and such issue shall be an integral part of this Scheme.

## 5. ACCOUNTING TREATMENT ON DEMERGER

5.1. Treatment in the books of the Demerged Company

On the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for demerger of the Demerged Undertaking in its books as under:

(a) All the assets, liabilities and reserves of the Demerged Company pertaining to the Demerged Undertaking, being transferred to the Resulting Company, shall be reduced from the books of accounts of the Demerged Company at their respective carrying values.

(b) The excess/ deficit of the net assets of the Demerged Undertaking standing in

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the books of accounts of the Demerged Company and transferred to the Resulting Company on the Appointed Date and subject to expenses of Demerger of Demerged Undertaking as referred in IV Clause L below, shall be recorded in accordance with applicable Indian Accounting Standards ("IND AS") notified under section 133 of the Act.

5.2. Treatment in the books of the Resulting Company

On the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for Demerger of the Demerged Undertaking in its books as under:

(a) The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at their respective carrying values thereof appearing in the books of accounts of the Demerged Company as on the Appointed Date.

(b) The identity of the reserves shall be preserved, and they shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company.

(c) The inter-corporate balances, if any, between the Resulting Company and the Demerged Undertaking of the Demerged Company shall be eliminated.

(d) The face value of equity shares issued by the Resulting Company pursuant to Part II Clause 4 shall be credited to the equity share capital account of the Resulting Company.

(e) The surplus/ deficit, if any, arising after taking the effect of Clause 5.2(a), Clause 5.2(b), Clause 5.2 (c) and Clause 5.2 (d) shall be transferred to "Capital Reserve" in the books of the Resulting Company in accordance with the accounting principles prescribed under Appendix C of Ind AS 103 (Business combinations of entities under common control).

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(f) In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, will be quantified and shall be adjusted in the capital reserve, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.

(g) Notwithstanding the above, the Board of the Resulting Company, in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the prescribed accounting standards as applicable to the Resulting Company.

**5A. CHANGE OF NAME OF THE DEMERGED COMPANY AND RESULTING/TRANSFEREE COMPANY**

a. Since, the Demerged Entity holds numerous licenses and holds various contracts with international entities in relation to its garments and textile business, in order to ensure continuity and minimal disruptions in the operations of the Demerged Undertaking, upon the Scheme becoming effective in accordance with the terms set out herein, without any further act or deed, the name of the Demerged Company shall stand changed to "*Shahi Industries Private Limited*" or such other name as may be approved by the Registrar of Companies and that of the Resulting/Transferee Company shall stand changed to "*Shahi Exports Private Limited*" by filing the requisite forms and subject to payment of fees with the appropriate Government Authority. Further, subject to above clause, Clause I of the Memorandum of Association of Demerged Company and the Resulting/Transferee Company, respectively shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Section 13, 232 and other applicable provisions of the Act.

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b. It is hereby clarified that, for the purposes of acts and event as mentioned in this Clause 5.7 the consent of the shareholders of the Demerged Company and the Resulting/Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting amendments in the Memorandum of Association and Articles of Association of the Demerged Company and the Resulting/Transferee Company in relation to the change of name of the Demerged Company and Resulting/Transferee Company respectively and no further resolution under Section 13, Section 14 or any other applicable provisions of the Act would be required to be separately passed for the alteration of the name of the Demerged Company which shall be taken over by the Resulting/Transferee Company.

c. The Board of Directors and the shareholders of the Demerged Company shall not have any objection to the adoption and use of the name "*Shahi Exports Private Limited*" or any modification or alternation of such name by the Resulting Company.

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## PART III

## AMALGAMATION

### AMALGAMATION OF TRANSFEROR COMPANY NO. 1 AND TRANSFEROR COMPANY NO. 2 INTO AND WITH THE TRANSFEREE COMPANY

### A. TRANSFER AND VESTING

1. Upon the Composite Scheme becoming effective and with effect from the Appointed Date, the entire business of Transferor Company No. 1 and Transferor Company No. 2, respectively, including, without any limitation all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of each of the Transferor Companies, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Companies, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses (including import / export licenses), fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, goodwill, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits),

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easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Companies and advantages of whatsoever nature and whosesoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad, shall, under the provisions of the Act and pursuant to the orders of the NCLT or any other appropriate authority sanctioning this Composite Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, as going concerns, so as to become the properties and assets of the Transferee Company.

2. The transfer and vesting of the properties and assets as aforesaid shall be subject to the existing charges/ hypothecation/ mortgages, if any, as may be subsisting over or in respect of the said assets or any part thereof, without any further act, instrument or deed, and the absence of any formal amendment or approval which may be required by a lender or trustee or third party shall not affect the operation of the above. Provided however, any reference in any security documents or arrangements to which the Transferor Companies are party, wherein specified assets of the Transferor Companies have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to such specified assets pertaining to the Transferor Companies and vested in Transferee Company by virtue of this Composite Scheme to the end and intent that the charges shall not extend or be deemed to extend to any assets of the Transferor Companies not so specifically encumbered, or to any assets of the Transferee Company. Provided that the Composite Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Companies which shall vest in Transferee Company by virtue of the Scheme and Transferee

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Company shall not be obliged to create any further, or additional security thereof after the Amalgamation or otherwise.

3. All the immovable properties of the Transferor Companies, including land together with the buildings and structures standing thereon and rights and interests in the immovable properties of the Transferor Companies, whether freehold or leasehold *(unless the lessor of the leasehold properties is the Transferee Company, in which case, the relevant lease shall become redundant and shall cease to have any effect*) or otherwise and all documents of title, right and easement in relation thereto shall stand transferred to and be vested in and transferred to and/ or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Companies and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Composite Scheme being effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Composite Scheme by the NCLT in accordance with the terms hereof.

4. All the movable assets of the Transferor Companies or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company with effect from the Appointed Date accordingly. Such delivery and transfer shall be made on a date to be mutually agreed upon by the Board of Directors of both the Transferor Companies and the Transferee Company.

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5. In respect of movable assets, other than those specified in the above clause, including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government / quasi government, local or other authority or body or with any company or other person, the same shall, without further act, instrument or deed, be transferred and/or deemed to be transferred to and vested in the Transferee Company upon the coming into effect of the Composite Scheme and with effect from the Appointed Date pursuant to the provisions of Section 230 of the Act, and the Transferor Companies shall give notice in such form as each of them deems fit to such persons, that pursuant to the order of the NCLT, the said assets would be paid or made good to or held on account of the Transferee Company, and the rights of the Transferor Companies will vest with the Transferee Company upon this Composite Scheme becoming effective.

6. All brand names, trademarks, trade names, patents and domain names, the intellectual property; applications pending and authorizations by governmental authorities in any jurisdiction, filings, dossiers copyrights, industrial designs, trade secrets, know-how; data, technology, methodology, manufacturing procedures and techniques, test procedures, product registrations, applications and authorizations and other intellectual property and all other interests exclusively relating to the goods or services being dealt with by the Transferor Companies along with all intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Companies, shall stand transferred to and vested in the Transferee Company.

7. All cheques and other negotiable instruments and payment orders received in the name of each of the Transferor Companies from the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the banker of the Transferee Company shall honour cheques

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issued by the Transferor Companies for payment and being dated on or after the Appointed Date and presented after the Effective Date.

**8.** All secured and unsecured debts (*whether in rupees or in foreign currency*), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies alongwith any charge, encumbrance, lien or security thereon shall be and stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

**9.** Upon the coming into effect of the Composite Scheme, all loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date but prior to the date of sanction of scheme, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company, and to the extent they are outstanding on the Effective Date without any further act or deed, be and stand transferred to and/ or be deemed to be transferred to, the Transferee Company and shall become the loans, debts, liabilities, duties and obligations of the Transferee Company.

**10.** Where any of the loans raised and used, debts, liabilities, duties and obligations of any of the Transferor Companies as on the Appointed Date as deemed to be transferred to the Transferee Company have been discharged by the Transferor Companies, on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

**11.** Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability including a contingent liability in whatever form), if any, due on the Effective Date between any of the Transferor Companies and the Transferee Company shall

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automatically stand discharged and come to an end and there shall be no liability in that behalf on either the Transferor Companies or the Transferee Company and the appropriate effect shall be given in the books of account and records of the Transferee Company.

**12.** Without prejudice to the provisions of the foregoing clauses, the Transferee Company may at any time after the coming into effect of the Composite Scheme in accordance with the provisions of the Composite Scheme, if so required, under any law or otherwise, execute deeds of confirmation, in favor of the secured creditors of the Transferor Companies or in favor of any other party to any contract or arrangement to which the Transferor Companies are party, or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Composite Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliances as referred to above on the part of the Transferor Companies to be carried out or performed.

**13.** Upon the coming into effect of the Composite Scheme, benefits of all taxes paid including but not limited to MAT paid, advance taxes and tax deducted and / or collected at source, right to carry forward and set off of unabsorbed depreciation, income tax losses, unutilized MAT credit under the provisions of the IT Act, right to claim deductions under the provisions of the IT Act, including its continuing benefits, all taxes paid or payable, tax benefits, un-availed credits, set offs, claims for refunds under any State VAT Acts, CST Acts, Central Excise, Customs Act and Service Tax, Goods and Services Tax provisions or any other State or Central statutes *(regardless of the period to which they may relate)* by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same and shall be deemed to be the rights/ claims of the Transferee Company. All un-availed credits, set offs, claims for refunds under any State VAT Acts, CST Acts, Central Excise, Customs Act and

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Service Tax provisions or GST or any other State or Central statutes regardless of the period to which they may relate, shall stand transferred to the benefit of and shall be available in the hands of the Transferee Company without restrictions under the respective provisions.

**14.** With effect from the Appointed Date, all statutory registrations, licenses, (including import / export licenses), permits, approvals or consents properties including freehold & leasehold properties, leases, estates, assets, contracts, deeds, rights, titles, interests, benefits, licenses, consents, allotment letters, sanctions, approvals, permissions and authorizations etc. to carry on the operations and business of Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favor of the Transferee Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Composite Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Companies, is concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions. In relation to such transfer and vesting, any procedural requirement required to be fulfilled solely by the Transferor Companies (and not by any of its successors) shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of that Transferor Company/ies.

**15.** With effect from the Appointed Date all assets accrued to and / or acquired by the Transferor Companies in relation to or in connection with its business or undertaking after the Appointed Date but prior to the date of sanction of Composite Scheme, shall be deemed to have been so accrued to and / or acquired for and on behalf of the Transferee Company and shall also without any further act, instrument, deed, matter

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or thing be and stand transferred to the Transferee Company to that extent and shall become the assets of the Transferee Company.

**16.** The Transferee Company shall, at any time after this Composite Scheme becomes effective in accordance with the provisions of the scheme, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/ obtain the approvals, permissions, rights, titles, interests, benefits, licenses, consents, allotment letters, sanctions, and authorizations, etc.

**17.** Upon the coming into effect of the Composite Scheme, the resolutions of the Transferor Companies as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

**18.** It is further clarified that, if the consent of any third party or authority is required to give effect to the aforementioned provisions of this Part III, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company pursuant to sanction of this Composite Scheme by the NCLT, and upon this Composite Scheme being effective in accordance with the terms thereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purpose.

**19.** The Transferor Companies and Transferee Company shall also be entitled, pending the sanction of scheme, to apply to the Reserve Bank of India or any statutory authorities concerned, wherever necessary, for such consents, approval, relief etc. as maybe required / granted under any law for the time being in force for carrying on their businesses.

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## B. CONSIDERATION

1. The Transferor Company No. 1 and Transferor Company No. 2 will become wholly owned subsidiaries of Transferee Company post the demerger exercise as per Part II of this Composite Scheme. Hence, on effectiveness of the Demerger, the entire issued, subscribed and paid up share capital of Transferor Company No. 1 and Transferor Company No. 2 are held by Transferee Company. Upon the coming into effect of this Composite Scheme pursuant to amalgamation of the Transferor Company No. 1 and Transferor Company No. 2 with the Transferee Company, no shares of the Transferee Company shall be allotted as consideration for amalgamation under Part III of the Composite Scheme in lieu of or exchange of the direct holding of the Transferee Company in the Transferor Companies and the share capital of each of the Transferor Companies shall stand cancelled.

2. Pursuant to the Scheme, the shares of the Transferor Companies held by their shareholders (both in physical and dematerialized form), shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled without any requirement to surrender the certificates for such Equity Shares as held by the shareholders of the Transferor Companies, respectively.

## C. ACCOUNTING TREATMENT

1. In the books of the Transferee Company

The amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with "Pooling of interest method" as per Appendix C of Indian Accounting Standard (IND AS) 103 for Business Combinations prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting standard) Rules, 2015, as may be amended from time to time such that:

a) Upon the Composite Scheme becoming effective and with effect from the

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Appointed Date, for the purpose of accounting for and dealing with the value of the assets and liabilities in the books of the Transferee Company, the Transferee Company shall record all the assets and liabilities of the Transferor Companies transferred to and vested in the Transferee Company pursuant to this Composite Scheme, at their respective book values as appearing in the books of the Transferor Companies.

b) The Transferee Company shall preserve the identity of the reserves of the Transferor Companies transferred to and vested in the Transferee Company and shall record in its books in the same form in which they appear in the books of the Transferor Companies.

c) No new shares will be issued or allotted by the Transferee Company pursuant to this Composite Scheme.

d) Loans and advances, receivables, payables and other dues outstanding between the Transferor Companies and Transferee Company (including the same transferred pursuant to Demerger of the Demerged Undertaking to the Transferee Company) will stand cancelled and there shall be no further obligation/outstanding in that behalf.

e) The value of investments held by the Transferee Company in the Transferor Companies shall stand cancelled pursuant to Amalgamation.

f) The surplus/deficit, if any arising after taking the effect of this sub - clauses 1 (a), (b), (c) and (e) and after adjustment of sub - clause 1(d) shall be transferred to "Capital Reserve" or any other appropriate component of the equity in the financial statements of the Transferee Company and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

g) In case of any difference in accounting policy/ies between the Transferor

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Companies and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference till the Effective Date will be quantified and adjusted as per the applicable accounting standards, to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policy.

2. In the books of the Transferor Company

In case of amalgamation of the Transferor Companies with Transferee Company, as the Transferor Companies shall stand dissolved without being wound up upon the Composite Scheme becoming effective, there is no accounting treatment prescribed under this Composite Scheme in the books of the Transferor Companies.

**D. TAX TREATMENT**

**1.** The Amalgamation shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2 (1B)/ 2(6) and Section 47/ 70 of the Income Tax Act, 1961/ Income Tax Act, 2025, respectively and other provisions of the of the IT Act. If any terms or provisions of the Scheme are found to be inconsistent with the provisions of the said sections of the IT Act, at a later date, including resulting from an amendment of law or from any other reason whatsoever, the provisions of the said sections of the IT Act shall prevail and the Composite Scheme shall stand modified to the extent deemed necessary to comply with Section 2(1B)/ 2(6) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.

**2.** Any tax liability under the IT Act, Wealth-tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956 and any other State Sales Tax/ Value Added Tax laws, Service Tax, Goods and Services Tax, stamp laws or other applicable laws/ regulations (hereinafter in this clause referred to as the "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies to the extent not provided for or provided by tax provisions in the accounts

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made, as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company.

3. All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, GST, etc.) paid or payable by the Transferor Companies in respect of the operations and/ or the profits of the business, on and from the Appointed Date shall be on account of Transferee Company and insofar as it relates to the tax payment (including without limitation to the income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, GST, etc.) whether by way of deduction or collection at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operations of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

4. Any refund under the tax laws received by/ due to the Transferor Companies consequent to the assessment made on Transferor Companies subsequent to the Appointed Date, pertaining to the business transferred and for which no credit is taken into account as on the date immediately preceding the Appointed Date, shall also belong to and be received by Transferee Company.

5. Without prejudice to the generality of the above, all benefits under the income tax including dividend tax, sales tax, MAT, excise duty, service tax, VAT, GST, etc., to which the Transferor Companies are entitled to in terms of the applicable Tax Laws of the Union and State governments, shall be available to vest in the Transferee Company.

## E. ALTERATIONS/ AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY

With respect to the Transferee Company, upon this Scheme being effective:

With effect from the Effective Date, without following any further procedure as laid in the applicable provisions of the Act, the Transferee Company shall be deemed to

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be authorized to commence such business as laid down in the objects clauses of the Memorandum of Association of each of the Transferor Companies.

## F. CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF TRANSFEROR COMPANIES WITH THE AUTHORISED CAPITAL OF THE TRANSFEREE COMPANY

1. As an integral part of the Composite Scheme and upon the Composite Scheme coming into effect, the authorized share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of the Transferee Company, including the payment of stamp duty and fees payable to the Registrar of Companies, by an amount equal to the aggregate authorized share capital of each of the Transferor Companies, such that upon the effectiveness of the Composite Scheme, Clause V of the Memorandum of Association of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Composite Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees already paid on the authorized capital of each of the Transferor Companies shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/ or fee by the Transferee Company for increase in the authorized share capital to that extent upon the Amalgamation.

2. It is clarified that the approval of the members of the Transferee Company to the Composite Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum of Association of the Transferee Company, as may be required, under the Act for the purposes of giving effect to the change in authorized share capital or otherwise, as required hereunder.

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## G. DISSOLUTION OF THE TRANSFEROR COMPANIES

Upon the Scheme becoming effective, both the Transferor Company No.1 and Transferor Company No. 2 shall stand dissolved without being wound-up and without any requirement of any further act or deed by the parties, in accordance with the Act. The name of both the Transferor Companies shall be struck off from its records by the concerned Registrar of Companies. The Transferee Company shall make the necessary filings in this regard.

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## PART IV– GENERAL TERMS AND CONDITIONS

### A. CONDUCT OF BUSINESS OF TRANSFEROR COMPANIES TILL THE DATE OF SANCTION OF COMPOSITE SCHEME

During the period between the Appointed Date and the date of sanction of Composite Scheme:

1. Each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the business of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2, for and on account of and in trust for the Resulting/Transferee Company. Each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 hereby undertakes to hold the said assets with utmost prudence until the date of sanction of the Composite Scheme.

2. Each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Resulting/Transferee Company alienate, charge, mortgage, encumber or otherwise deal with or dispose-off the business or part thereof of the respective Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2.

3. The Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall not, without the prior written consent of the Resulting/Transferee Company, undertake any new business or a substantial expansion of its existing business.

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4. All the profits or income accruing or arising to each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 or expenditure or losses arising or incurred or suffered by each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 pertaining to the business of such Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of the Resulting/Transferee Company.

5. The Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Resulting/Transferee Company or pursuant to any pre-existing obligation undertaken by such Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2, as the case may be, prior to the Appointed Date.

6. Any of the rights, powers, authorities, privileges exercised by each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall be deemed to have been exercised by such Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 for and on behalf of, and in trust for and as an agent of the Resulting/Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting/Transferee Company.

7. All assets, rights, titles or interests acquired and all liabilities incurred by each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 after the Appointed Date but prior to the date of

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sanction of Composite Scheme shall also without any further act, instrument or deed stand transferred to and vested in, or to be deemed to have been transferred to or vested, in the Resulting/Transferee Company upon the coming into effect of the Composite Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

**8.** The Resulting/Transferee Company shall have the right to claim refund of payment of the taxes arising on account of transactions entered into between the Demerged Company (in relation to Demerged Undertaking), Transferor Companies and the Resulting/Transferee Company between the Appointed Date and the date of sanction of Composite Scheme.

**9.** The Resulting/Transferee Company shall be entitled, pending the sanction of the Composite Scheme, to apply to the Central/ State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Resulting/Transferee Company may require pursuant to this Composite Scheme.

**10.** The Resulting/Transferee Company and Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall charge the service tax, sales tax, GST and other applicable taxes at the prescribed rates in force for inter-company transactions entered during the period between the Appointed Date of the Composite Scheme and the date of sanction of Composite Scheme. Upon the Composite Scheme becoming effective, there shall not be any inter-company transactions between the Resulting/Transferee Company with Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 subsequent to the Appointed Date and hence, inter-company transactions between Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 with the Resulting/Transferee Company shall be considered not to be the transactions between two different entities. Accordingly, the Resulting/Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms,

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filings and annexures under the Income Tax Act, 1961 and other tax laws. The Resulting/Transferee Company is also expressly permitted to claim refunds and/or credits for taxes paid (specifically including refund of taxes paid on inter-company transactions with Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 during the period between the Appointed Date of the Composite Scheme and the date of sanction of Composite Scheme) and to claim all other applicable tax benefits under the Income Tax Act, 1961 and any other tax law and for matters incidental thereto, if required to give effect to the provisions of this Composite Scheme.

**B. TRANSFEROR COMPANIES' STAFF, WORKMEN AND EMPLOYEES**

1. Upon the Composite Scheme becoming effective, all the respective staff, employees and workmen of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2, if any, shall be deemed to have become the staff, employees and workmen of the Resulting/Transferee Company, without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the date of sanction of Composite Scheme. The Resulting/Transferee Company further agrees that for the purpose of payment of any retirement benefit/ compensation, such immediate uninterrupted past services to the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2, shall also be taken into account. The Resulting/Transferee Company also undertakes to continue to abide by the terms of agreements/ settlements/standing orders entered into by the Demerged Company (in relation to Demerged Undertaking), Transferor Company No. 1 and Transferor Company No. 2 with their respective employees' union/ employees or associations of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2.

2. The accounts/ funds of the employees whose services are transferred under Part IV Clause B.1 above, relating to superannuation, provident fund, gratuity fund and/or

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other funds, and including any surplus in such funds created or existing for the benefit of the employees of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall be identified, determined and transferred to the respective trusts/ funds of the Resulting/Transferee Company in accordance with Applicable Law and subject to such approvals, sanctions and recognitions as may be required from the appropriate authorities and such employees shall be deemed to have become members of such trusts/ funds of the Resulting/Transferee Company.

It is the aim and intent of the Composite Scheme that all the rights, duties, powers and obligations of each of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 in relation to the said funds as on the Effective Date shall become those of the Resulting/Transferee Company for all purposes whatsoever, including in relation to the administration and operation of such funds and the obligation to make contributions thereto in accordance with the provisions thereof and the respective trust deeds, if any.

The dues of the employees of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 relating to the said trusts/ funds shall pending the transfer as aforesaid, continue to be deposited therein accordingly.

It is clarified that for the purpose of administration and operation of the said fund(s), the services of the staff, workmen and employees of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 will be treated as having been in continuous employment of the Resulting/Transferee Company from their respective date of employment as reflected in the records of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2.

It is further clarified that any employee benefit funds, trusts or arrangements maintained by the Demerged Company exclusively for employees of its Remaining

Business shall continue to vest with the Demerged Company, and the Resulting/Transferee Company shall have no liability, obligation or responsibility in relation thereto.

**C. LEGAL PROCEEDINGS**

**1.** If any suit, appeal or other proceeding of whatever nature by or against Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Composite Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Resulting/Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 as if this Composite Scheme had not been made.

**2.** In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2, the Resulting/Transferee Company shall be made party thereto, and any payment and expenses made thereto shall be the liability of the Resulting/Transferee Company. The Resulting/Transferee Company shall make necessary applications before the relevant court, tribunal or other authority to record its name in such proceedings.

**D. CONTRACTS, DEEDS, ETC.**

**1.** Subject to the other provisions of this Composite Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements of whatever nature including but not limited to shareholders' agreements, share subscription agreements or any right devolving pursuant to such agreements (*either entered into or vested in terms of any legal process)* or holding of investments to

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appoint directors, etc., any agreement for commission, management fees, and other instruments, if any, of whatsoever nature pertaining to the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2, to which the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 are parties or to the benefit of which the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 may be eligible, or for the obligations of which the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 may be liable, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favor of the Resulting/Transferee Company, as the case may be, and may be enforced by or against the Resulting/Transferee Company as fully and effectually as if, instead of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2, the Resulting/Transferee Company had been a party or beneficiary or obligor, as the case may be.

2. Without prejudice to the other provisions of this Composite Scheme and notwithstanding the fact that transfer of the assets, liabilities and contracts relating to the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 and their vesting in the Resulting/Transferee Company occurs by virtue of this Composite Scheme itself, the Resulting/Transferee Company may at any time after the coming into effect of this Composite Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, with any party, to which any of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 is a party, or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Composite Scheme. The Resulting/Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company (in relation

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to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 and to implement or carry out all formalities required on the part of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 to give effect to the provisions of this Composite Scheme.

3. On this Composite Scheme finally taking effect as aforesaid:

3.1. All the contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and such other instruments entered into with and/ or given by, as the case may be, the various Central/ State Governments, statutory or regulatory body or agencies or third parties with respect to the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall, without any further act, deed, matter or thing, stand transferred to and vested in the Resulting/Transferee Company;

3.2 All business activities engaged in by the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 shall be continued by the Resulting/Transferee Company under its name.

3.3 It is clarified that upon the Composite Scheme becoming effective, any inter-company contracts shall stand cancelled and cease to operate in the Resulting/Transferee Company.

## E. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under respective clauses above and the continuance of proceedings by or against the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 under Part IV, clause C above shall not affect any transaction or proceedings already concluded by the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 on and after the respective Appointed Date until the Effective Date, to the end and intent that the

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Resulting/Transferee Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 in respect thereto, as done and executed on behalf of the Resulting/Transferee Company.

## F. APPLICATION TO NCLT

On the Composite Scheme being agreed to by the requisite majorities of the members of the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 and the Resulting/Transferee Company, the Demerged Company (in relation to Demerged Undertaking), Transferor Company No.1 and Transferor Company No.2 and the Resulting/Transferee Company shall respectively and/ or jointly, with all reasonable dispatch, make all necessary applications under Section 230 to 232 of the Act to the NCLT for seeking approval of the Composite Scheme and for dissolution of the Transferor Companies without being wound-up and any other proceedings that may be required in relation to this Composite Scheme.

## G. MODIFICATION OR AMENDMENTS TO THE COMPOSITE SCHEME

1. Subject to the approval by the jurisdictional Registrar of Companies/ Official Liquidators/ NCLT or Reserve Bank of India, as the case may be, the Demerged Company, Transferor Companies and the Transferee Company by their respective Boards of Directors may assent to withdraw and/or consent to any modifications/amendments to the Composite Scheme or to any conditions or limitations that the Registrar of Companies/ Official Liquidators/ NCLT / Reserve Bank of India under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Demerged Company, Transferor Companies and the Transferee Company by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Composite Scheme into effect, whether by

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reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Composite Scheme and/or any matter concerned or connected therewith.

2. It is clarified that the approval of the members of the Demerged Company, Transferee Company and Transferor Companies to the Composite Scheme shall be deemed to be their consent/approval also to any alteration/modifications to the Composite Scheme, if required.

3. Further, it is clarified that the initial consent of the shareholders and creditors (both secured and unsecured) of all the companies i.e. Demerged Company, Transferor Company No.1, Transferor Company No.2 and Resulting/Transferee Company, to this Scheme shall in itself be deemed to be sufficient to authorize the operation of the abovementioned clauses of this Composite Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

4. For the removal of doubts, it is also hereby clarified that withdrawal by any one or more of the Demerged Company or Transferor Companies from the Composite Scheme shall not prejudicially effect the implementation of the Composite Scheme between the remaining Demerged/Transferor Company and the Resulting/Transferee Company as if the party withdrawing from the Composite Scheme was never a party to the Composite Scheme in that behalf.

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## H. CONDITIONALITY OF THE COMPOSITE SCHEME

This Composite Scheme is and shall be conditional upon and subject to:

1. The requisite consent, approval or permission of the Central Government, State Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Composite Scheme;

2. The Composite Scheme being consented or approved by the requisite majorities of such respective members and secured and unsecured creditors of Demerged Company( in relation to the Demerged Undertaking), both the Transferor Companies and the Transferee Company, as may be mandated under the Act or as may be directed by the NCLT;

3. The Composite Scheme being sanctioned by the NCLT under the Sections 230 to 232 of the Act and obtaining the necessary order;

4. Certified or authenticated copy of the order of the NCLT sanctioning the Composite Scheme being filed with the concerned Registrar of Companies, by each of the Demerged Company (in relation to the Demerged Undertaking), Transferor Company No.1 and Transferor Company No. 2 and the Transferee Company;

5. Obtaining all consents, sanctions or approvals, as may be required, from any person, by law or contract, for the implementation of this Composite Scheme.

## I. EFFECT OF NON-COMPLIANCE OF CONDITIONS

In the event any of the conditions specified in Part IV, clause H are not complied with, or for any other reason, the Composite Scheme cannot be implemented within such period(s) that the Board of the Demerged Company, both the Transferor Companies and the Transferee Company may mutually agree upon, and/ or if any of the Demerged Company, both the Transferor Companies and the Transferee Company withdraws

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from this Scheme pursuant to Part IV, clause G above, the Composite Scheme shall become null and void and in such event no rights or liabilities whatsoever shall accrue to or be incurred by the Demerged Company, both the Transferor Companies and the Transferee Company. In such event, each Party shall bear and pay their respective costs, charges and expenses in connection with the Composite Scheme.

## J. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Composite Scheme not being sanctioned by the NCLT and / or the order not being passed as aforesaid within such period or periods as may be agreed upon between the Demerged Company, both the Transferor Companies and the Transferee Company by their Board of Directors (*and which the Board of Directors of the Demerged Company, the Transferor Companies and the Transferee Company are hereby empowered and authorized to agree upon and extend from time to time without any limitation*) failing which this Composite Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder, or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto, and which shall be governed and be preserved or worked out as is specifically provided in the Composite Scheme or as may otherwise arise in law.

## K. SEVERABILITY

If any part of this Composite Scheme is found to be unenforceable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Demerged Company, both the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Composite Scheme.

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## L. COSTS, CHARGES & EXPENSES CONNECTED WITH THE SCHEME

Subject to Part IV, all costs, charges, taxes including duties, levies and all other expenses, if any (*save as expressly otherwise agreed*) of the Demerged Company, both the Transferor Companies and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Resulting/Transferee Company, including any fees or stamp duty payable for increase of the authorized capital of the Transferee/Resulting Company for accommodating issuance of shares to the shareholders of the Demerged Company in consideration of demerged of the Demerged Undertaking.



**NATIONAL COMPANY LAW TRIBUNAL**
**CHANDIGARH BENCH (COURT-I), CHANDIGARH**

**CA(CAA) No. 25/Chd/Hry/2026**

*(An Application under Section 230 - 232 and Section 66 and other applicable provisions of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.)*

**IN THE MATTER OF SCHEME OF ARRANGEMENT OF:**

1. **SHAHI EXPORTS PRIVATE LIMITED**,
(CIN: U65110HR2005PTC142404)
a Company incorporated under the provisions
of Companies Act, 1956 having its registered office at
IP-1, Sector-28, Faridabad, Sector 29, Haryana- 121008.
Email: secretarial@shahi.co.in
Ph: +91-9971900124
PAN: AAJCS1175L
..... Applicant Company No. 1/Demerged Company

2. **SHAHI KNITS PRIVATE LIMITED,**
(CIN: U17299HR2022PTC141698)
a Company incorporated under the provisions
of Companies Act, 2013 having its registered office at
IP-1, Sector-28, Faridabad, Sector -29 Haryana,
India, 121008.
Email: secretarial@shahi.co.in
Ph: +91-9971900124
PAN: AAWCA7126L
..... Applicant Company No. 2/ Transferor Company 1

3. **HSA APPAREL PRIVATE LIMITED**
(CIN: U17120HR2008PTC141699)
a Company incorporated under the provisions
of Companies Act, 19 56 having its registered office at
IP-1, Sector-28, Faridabad, Sector 29, Haryana 121008.
Email: secretarial@shahi.co.in
Ph: +91-9971900124
PAN: AACCH0707N
.... Applicant Company No. 3/ Transferor Company No. 2

**4. SHAHI GARMENTS PRIVATE LIMITED,**
(CIN: U14101HR2025PTC139262)
a Company incorporated under the provisions
of Companies Act, 2013 having its registered office
at Industrial Plot-1, Sector-28, Mathura Road Faridabad
121003, Haryana.
Email: secretarial@shahi.co.in
Ph: +91-9971900124
PAN: ABSCS0870Q

..... Applicant Company No. 4/ Resulting Company

**Order delivered on: 24.09.2026**

**Coram: HON'BLE SH. KHETRABASI BISWAL, MEMBER (JUDICIAL)**
**HON'BLE SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

**PRESENT:**
**The Applicant :** Mr. Dhritiman Bhattacharyya, Advocate
Ms. Deeti Ojha, Advocate

**ORDER**

This is a joint First Motion Application (hereinafter referred to as "Application") filed by, Shahi Exports Private Limited (hereinafter referred to as "Applicant Company No. 1/Demerged Company"), Shahi Knits Private Limited (hereinafter referred to as "Transferor Company No. 1/Applicant Company No. 2"), HSA Apparel Private Limited (hereinafter referred to as "Transferor Company No. 2/Applicant Company No. 3") and Shahi Garments Private Limited (hereinafter referred to as "Resulting/ Applicant Company No. 4"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "Act"), read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

(hereinafter referred to as “Rules”), seeking consideration and approval of the Composite Scheme of Arrangement (hereinafter referred to as “Scheme”). A copy of the Scheme is annexed with the Application as **Annexure-A**. The registered office of the Applicant 1,2,3 & 4 or Demerged company, both transferor and resulting company are situated in Faridabad, Haryana; hence, it is under the jurisdiction of this Bench.

2. The averments as made in the Application and presented by the Ld. Counsel are summarised below:

    1. Shahi Exports Private Limited (SEPL), the "Demerged Company", is a private limited company, incorporated on 15.07.2005 under the companies Act, 1956 (Corporate Identification Number: U65110HR2005PTC142404) and having its registered office at IP-1, Sector-28, Faridabad, Sector 29, Haryana - 121008. The objects of the company include acquiring and taking over the business, assets, properties, rights, liabilities and goodwill of “Shari Export House”; manufacturing, processing, importing, exporting, trading and dealing in readymade garments, textiles, hosiery and allied textile products; carrying on textile-related activities such as spinning, weaving, dyeing, printing, embroidery and garment manufacturing; dealing in handicrafts, handloom products, antiques, art goods, jewellery and decorative materials; generating, supplying and trading in power from solar, hydro, wind

and other sources; and investing in or promoting companies engaged in life, general and health insurance businesses in India or abroad.

a. The authorized, issued, subscribed and fully paid-up share capital of the Applicant Company 1 as on March 31, 2025, is as under:

| ***Authorised share capital*** | ***Amount (in Rs.)*** |
|---|---|
| 1,10,00,000 Class EQ -Voting Equity Shares of INR10/- each | 11,00,00,000 /- |
| 45,00,000 EQ Class B – Non-Voting Equity Shares of Rs. 10/- each | 4,50,00,000/- |
| 2,65,000 Non-Cumulative Redeemable Preference Shares of INR 10/- each | 26,50,000/- |
| ***Total*** | 15,76,50,000***/-*** |

| ***Issued, Subscribed and Paid-up share capital*** | ***Amount (in Rs.)*** |
|---|---|
| 1,02,17,126 Class EQ- Voting Equity Shares of INR10/- each | 10,21,71,260/- |
| 35,95,060 EQ Class B- Non-Voting Equity Shares of INR10/- each | 3,59,50,600/- |
| ***Total*** | 13,81,21,860***/-*** |

*There has been no change in the authorized, issued, subscribed, or paid-up share capital of the Transferor Company from Appointed Date.*

2. Shahi Knits Private Limited (SKPL), the "Transferor Company 1", is a private limited company, incorporated on 24 March 2022 under the Companies Act, 2013 (Corporate Identification Number: is U17299HR2022PTC141698 and having its registered office at IP-1, Sector 28, Faridabad, Faridabad Sector 29, Haryana, India, 121008. The company's objects primarily cover manufacturing, processing, trading, importing, exporting and dealing in man-made, synthetic and blended fibres, fabrics, apparel and technical textiles, including geotextiles, agro-textiles, medical/hygiene, defence, sports, protective, construction, specialty and smart textiles, along with allied textile products such as bed-sheets, towels, curtains, furnishing materials, hosiery, fishing nets and ropes. It also proposes to undertake spinning, weaving, dyeing, printing, embroidery, knitting and other textile-processing activities, and to trade in related raw materials and finished products through various channels. Further, the objects include acting as financial and investment consultants, providing investment advisory, portfolio management and research services, and functioning as agents, brokers, investment brokers, insurance brokers, underwriters and intermediaries in financial, insurance and securities transactions.

a. The share capital of the Applicant Company 2 as on 31.05.2026 as per the provisional financial statements is set out below:

| Authorised share capital | Amount (in Rs.) |
|---|---|
| 10,000 Equity Shares of INR10/- each | 1,00,000 /- |
| Total | 1,00,000/- |

| Issued, Subscribed and Paid-up share capital | Amount (in Rs.) |
|---|---|
| 10,000 Equity Shares of INR10/- each | 1,00,000/- |
| Total | 1,00,000/- |

*There has been no change in the authorized, issued, subscribed, or paid-up share capital of the Transferor Company from Appointed Date.*

3. HSA Apparel Private Limited (HSAAPL), the "Transferor Company 2", is a private limited company, incorporated on 21 July 2008 under the Companies Act, 1956 (Corporate Identification Number: is U17120HR2008PTC141699 and having its registered office at IP-1, Sector-28, Faridabad, Faridabad Sector 29, Haryana, India, 121008. The company's objects primarily focus on developing, financing, establishing, constructing, operating and maintaining infrastructure projects, particularly in the textile sector, including integrated

textile parks comprising textile units, plant and machinery, power looms, effluent treatment, waste management, water supply, transport, roads, warehouses, captive power, laboratories, training centres and other ancillary facilities. It also proposes to act as a Special Purpose Vehicle (SPV) for Central and State Government schemes, develop common infrastructure and facilities for industrial clusters, and undertake textile-related research, training and consultancy. Further, the objects include assisting members in establishing manufacturing units, sourcing raw materials, providing infrastructure and technology, promoting modernization and international quality standards in the textile sector, conducting workshops, seminars and training programmes, and developing cost-saving machinery and operational/management systems to improve efficiency and resource utilization.

a. The share capital of the Applicant Company 3 as on 31.05.2026 as per the provisional financials is set out below:

| ***Authorised share capital*** | ***Amount (in Rs.)*** |
|---|---|
| 100,000 Equity Shares of INR10/- each | 10,00,000 /- |
| ***Total*** | ***10,00,000 /-*** |

| ***Issued, Subscribed and Paid-up share capital*** | ***Amount (in Rs.)*** |
|---|---|
| 100,000 Equity Shares of INR10/- each | 10,00,000 /- |
| ***Total*** | ***10,00,000 /-*** |

*There has been no change in the authorized, issued, subscribed, or paid-up share capital of the Transferor Company from Appointed Date.*

4. Shahi Garments Private Limited (SGPL), the "Resulting/Transferee Company", is a private limited company, incorporated on 15 December 2025 under the Companies Act, 2013 (Corporate Identification Number: is U14101HR2025PTC139262 and having its registered office at Industrial Plot-1, Sector-28, Mathura Road Faridabad, Haryana, India, 121003. The objects of the resulting Company primarily cover manufacturing, processing, importing, exporting, trading, distribution and dealing in readymade garments, textiles, hosiery and allied textile products made from cotton, man-made, silk, denim, nylon, wool, linen, jute, polyester, lycra, georgette, leather and other fibres, including apparel, bed-sheets, towels, curtains, furnishing materials, fishing nets, ropes and textile accessories. It also undertakes spinning, weaving, dyeing, printing, embroidery, knitting and other textile-processing activities, as well as dealing in

handicrafts, handloom materials, antiques and art goods. Further, Clause III(B)(45) of the Memorandum authorizes the Applicant Company to enter into arrangements for acquiring the undertaking of other companies and to amalgamate with other companies.

a. The share capital of the Applicant Company 4 as on 31.05.2026 as per provisional financials is set out below:

| ***Authorised share capital*** | ***Amount (in Rs.)*** |
|---|---|
| 100,000 Equity Shares of INR10/- each | 10,00,000 /- |
| ***Total*** | ***10,00,000 /-*** |

| ***Issued, Subscribed and Paid-up share capital*** | ***Amount (in Rs.)*** |
|---|---|
| 100,000 Equity Shares of INR10/- each | 10,00,000 /- |
| ***Total*** | ***10,00,000 /-*** |

*There has been no change in the authorized, issued, subscribed, or paid-up share capital of the Transferor Company from Appointed Date.*

3. Copies of the Memorandum and Articles of Association and Article of Association of the Demerged Company (Applicant company No.1), Transferor Company No. 1 & 2 (Applicant Company 3 & 4) and Resulting Company (Applicant Company No. 4) are annexed with the Application as Annexure-C2, Annexure-D2, Annexure-E2 and Annexure-F2 respectively.

4. Copies of the audited annual accounts as on 31.03.2025 for the Applicant Companies No. 1, 2 and 3 have been annexed as Annexure C-3, D-3 and E-3, respectively. Provisional financial statements as on 31.12.2025 for Applicant Companies No. 1, 2 and 3 have been annexed as Annexure C-4, D-4 and E-4, respectively. The provisional financial statements as on 31.01.2026 for the Applicant Company No. 4 have been annexed as Annexure F-3.

5. It is stated that the Board of Directors of the Applicant Companies, in their respective meetings held on 25.02.2026, have considered and approved the proposed Composite Scheme of Arrangement, subject to the sanctioning of the same by this Tribunal. The copies of the Board Resolutions of the Applicant Company Nos. 1, 2, 3 and 4 are attached as Annexure C-6, D-6, E-6 and F-5, respectively to the Application.

6. The Scheme is in the interest of shareholders and creditors, and there is no likelihood that any shareholder or creditor of any of the Applicant Companies would be prejudiced as a result of the Scheme. The Scheme will neither impose any additional burden on the shareholders, nor will it adversely affect the interests of any shareholders or creditors of the Applicant Companies. The Scheme provides for the demerger of the Apparel Business Undertaking of the Demerged Company into the Resulting Company, the amalgamation of the Transferor Companies with the Resulting Company, and is not an arrangement or compromise with creditors of any of the entities involved in the Scheme.

7. It is submitted that the Rationale and Salient Features of the Scheme for the Composite Arrangement among the Applicant Companies and their respective shareholders and creditors is reproduced as follows:

A. *" All the companies involved in the Scheme are closely held group companies and for achieving better focus and management efficiency, the management of the companies are of the view that it is essential that the Apparel Business and the Remaining Business are housed in two separate entities. To achieve this, the Apparel Business Undertaking (including the entire holdings in the Transferor Company 1 and Transferor Company 2, which are also engaged 1n the apparel business) ("Demerged Undertaking") would be demerged into the Resulting Company and the remaining business ("Remaining Undertaking") would be retained in the Demerged Company. This would enable achieving greater visibility on performance of Apparel Business, global competitiveness, rationalization of business · processes and reduction of volatility in the earnings streams.*

B. *The Board of Directors of the companies involved in the Scheme recognize the fact that there is a need to concentrate on the Demerged Undertaking due to the vast scope available in the market. The Demerged Undertaking requires specialized skills and knowledge and has distinct requirements, cash flow profiles, operational and training requirements. The illustrative split balance sheet of the businesses as on 31.05.2026 is annexed as Annexure G.*

C. *The nature of risk and competition involved in the apparel business is distinct. The investments made in this business are capable of being leveraged so as to derive better gains for shareholders. It has therefore been decided that the Demerged Undertaking should be demerged into the Resulting Company.*

D. *The Scheme further, inter alia, envisages the amalgamation of Transferor Company 1 and Transferor Company 2, which are also engaged in the apparel business with the Transferee Company and transfer and vesting of all the assets, liabilities and business of the said companies in the Transferee Company. This will result in consolidation of the apparel business in the Transferee Company and would, inter alia, have the following benefits.*

   a. *The amalgamation would promote administrative convenience and would facilitate the integration of all activities of management.*
   b. *The amalgamation would help in the achievement of optimum utilization of various resources and the elimination of unnecessary duplication of costs, thereby helping in achieving reduction and improving control over costs.*

E. *The Appointed date under the Scheme is 01 April2026. On and from the Appointed Date, the Apparel Business/Demerged Undertaking of the Demerged Company shall demerge into the Resulting Company. All properties and assets, licenses or certificates, registrations obtained under various regulatory laws of the Demerged Undertaking of the Demerged Company shall be transferred to Resulting Company, i.e., Applicant Company 2 so as to become its properties, assets, licenses or certificates and registrations obtained under various regulatory laws. The liabilities of the Demerged Undertaking of the Demerged Company shall be transferred to and vested in and assumed by the Resulting Company.*

F. *Upon the scheme coming into effect, all taxes/ cess/ duties, direct and/ or indirect payment by or on behalf of the Demerged Undertaking of the Demerged Company, including all or any refund and claims, including refunds and claims pending with the revenue authorities and including the right to carry forward*

*accumulated losses, tax credits, if any, shall for all purposes be treated as the tax/ cess/ duties/ liabilities or refunds, claims, accumulated losses and tax credits of the Resulting Company i.e. Applicant Company 4.*

G. *The Scheme also envisages amalgamation of Transferor Company 1 and 2, which are also engaged in apparel business into the Transferee/Resulting Company.*

H. *The Scheme does not envisage any loss of employment and specifically provides that on the Scheme becoming effective, all the staff, workmen and employees of the Demerged Undertaking of the Demerged Company and that of the Transferor Company 1 & 2 shall be deemed to have become the employees of the Resulting Company, without any break or interruption in their services, on not less favourable terms and conditions on which they are engaged as on the Effective Date. "*

8. Upon the coming into effect of this Scheme and in consideration for demerger of Demerged Undertaking of the Demerged Company into the Resulting Company, Resulting Company shall issue and allot Equity Shares to the equity shareholders of the Demerged Company, as under:

***"1 (One) fully paid Equity Share of INR 10/- (Indian Rupee Ten) each in Shahi Garments Private Limited (SGPL) for every 1 (One) fully paid Equity Share of INR 10/- (Indian Rupee Ten) each held in Shahi Exports Private Limited (SEPL)"***

Since Transferor Company 1 and Transferor Company 2 are/will be wholly owned subsidiaries of the Transferee Company, no shares will be issued by the Transferee Company for their amalgamation. A Valuation Report dated 25.02.2026 has been issued by Mr Kapil

Nayyar, Registered Valuer (IBBI/RV/02/2019/12155), and the share exchange ratio has been accepted by the Boards of Directors of the Applicant Companies. A copy of the Valuation Report is annexed as Annexure-B to the Application.

9. It is submitted by the authorised representative of the Applicant Companies that as per the information available, the Applicant Companies do not have any material investigations or material proceedings/litigations against them under the Companies Act, 2013 or any other applicable law and that the Applicant Companies do not have any investigation or proceedings pending against them under Sections 206-229 of the Companies Act, 2013.

10. It is further submitted that the Applicant Companies have filed certificates issued by the Statutory Auditors certifying that the Scheme complies with the Accounting Standards under Section 133 of the Act. These are annexed with the Application as Annexure H-1, H-2, H-3 and H-4 for Applicant Companies 1, 2, 3 and 4, respectively. Since Applicant Companies 2 and 3 are to be dissolved pursuant to the Scheme, there is no question of any accounting treatment in their books.

11. The Applicant Companies have furnished the details of Equity Shareholders, Secured Creditors and Unsecured Creditors as on 31.01.2026, and their consents for the scheme, which are as follows:

| ***Particulars*** | ***Applicant Co. 1*** | ***Applicant Co. 2*** | ***Applicant Co. 3*** | ***Applicant Co. 4*** |
|---|---|---|---|---|
| *No. of Equity Shareholders* | *4* | *2* | *2* | *4* |
| *Consent of Equity Shareholders* | *All - obtained* | *All - obtained* | *All - obtained* | *All - obtained* |
| *No. of Secured Creditors* | *6 (INR 1,881.26 Cr.)* | *1 (INR 22.03 Cr.)* | *2 (INR 0.83 Cr.)* | *Nil* |
| *No. of Unsecured Creditors* | *3,034 (INR 842.35 Cr.)* | *108 (INR 6.50 Cr.)* | *32 (INR 20.93 Cr.)* | *Nil* |

12. The Scheme of Arrangement has been approved by the respective Boards of Directors of all the Applicant Companies vide their resolutions dated 25.02.2026.

13. It is stated that the Scheme also takes care of the interests of the staff/workmen and employees by virtue of the relevant clause under the Scheme which specifically provides that all staff, workmen and employees of the Demerged Undertaking of the Demerged Company and of the Transferor Companies shall be deemed to have become the employees of the Resulting Company, without any break or interruption in their services, on not less favourable terms and conditions.

14. It is submitted that the Scheme of Arrangement does not provide for any Corporate Debt Restructuring of the Applicant Companies. The said Composite Scheme of Arrangement shall take effect from the Appointed Date, i.e. **01st day of April 2026**, as mentioned in the Scheme.

15. The Scheme is not intended to grant any material benefit to the directors of the Applicant Companies except to the extent of their shareholding, if any, in the Applicant Companies.

16. The Applicant Companies have availed benefits under the Export Promotion Capital Goods (EPCG) Scheme and have outstanding export obligations. It has accordingly been prayed that notices be specifically issued to the Directorate General of Foreign Trade (DGFT) and the Reserve Bank of India (RBI).

17. That this Application has been filed bona fide and in the interest of justice, and no stakeholder in the Applicant Companies would be prejudiced if the reliefs sought are granted by this Tribunal.

18. We have heard the Ld. Counsel for the Applicant Companies and have perused the material available on record carefully.

19. This application was filed by the Applicant Companies praying for:

A. dispensation from the requirement of convening the meetings of Equity Shareholders of all four Applicant Companies;

B. directions for convening and holding the meetings of Secured Creditors of Applicant Company Nos. 1, 2 and 3;

C. directions for convening and holding the meetings of Unsecured Creditors of Applicant Company Nos. 1, 2 and 3; and

D. dispensation from the requirement of convening meetings of Secured Creditors and Unsecured Creditors of Applicant Company No. 4, there being no such creditors. It is observed that consent affidavits of all equity shareholders of all four Applicant Companies have been duly filed.

E. The Scheme of Arrangement has been approved by the respective Boards of Directors of the Applicant Companies vide resolutions dated 25.02.2026. The Applicant Companies have filed certificates issued by their respective statutory auditors certifying that the Scheme is in compliance with the Accounting Standards under Section 133 of the Act.

20. Having considered the facts and objects of the Scheme as stated in the Application and the materials available on record, we are inclined to dispose of the Company Application bearing **CA(CAA) No. 25/Chd/Hr/2026** with the following directions:

A. The meeting of the Equity Shareholders including non-voting equity shareholders of all the Applicant Companies 1, 2, 3 and 4 is hereby dispensed with, keeping in view that consent affidavits of all the equity shareholders of all the Applicant Companies have been received.

B. The question of holding a meeting of the Secured Creditors and Unsecured Creditors of Applicant Company No. 4 does not arise, as there are no Secured Creditors and Unsecured Creditors of Applicant Company No. 4.

C. The meetings of the Secured Creditors and Unsecured Creditors of Applicant Company Nos. 1, 2 and 3 shall be convened and held in a hybrid mode, i.e., through physical presence at the venue as well as through video conferencing or other audio-visual means, on such date, time and place as may be decided by the Chairperson in consultation with the Applicant Companies, for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme. It is further directed that facility for remote e-voting shall be provided to all eligible creditors, and the e-voting lines shall remain open for a period of three (3) days, in such manner and subject to such procedure as may be determined by the Chairperson.

D. At least one month before the date of the aforesaid meetings, an advertisement about the convening of the said meetings, indicating the day, date, place, and time, shall be published in an English daily, i.e., Business Standard and in a Hindi daily, i.e., Dainik Bhaskar (Delhi NCR / Chandigarh / Haryana Edition). The publication shall indicate the time within which copies of the Scheme shall be made available to the concerned persons free of charge from the Registered Office of the Applicant Companies. The publication shall also include the statement required to be furnished under Section 102 of the Act, read with Sections 230 to 232 of the Act.

E. At least one month before the date of the meetings to be held as aforesaid, a notice in Form No. CAA 2 convening the said meetings, indicating the day, the date, the place and time, together with a copy of the Scheme, a copy of the statement required to be furnished pursuant to Sections 230 and 232 read with Section 102 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent by Registered Post or Speed Post or by Courier or E-Mail or Hand Delivery, addressed to Secured Creditors and Unsecured Creditors (having outstanding balance of more than INR 50,000/- each of Applicant Company Nos. 1, 2 and 3, at their respective registered or last known address or e-mail address as per the records of the respective Applicant Companies.

F. Shri Dharam Paul Gupta, Advocate, Email ID: dpgupta.advchd@yahoo.co.in, Mobile No.: 9814005991, Address: House No. 208, Sector 21, Panchkula, Haryana, is appointed as the Chairperson for the meetings to be called under this Order. An amount of Rs. 1,25,000/- (Rupees one lakh twenty five thousand only) plus applicable taxes will be paid for his services as the Chairperson, over and above the travel cost and out-of-pocket expenses, which shall be paid on an actual basis by the Applicant Companies.

G. Mr. Gurvinder Singh Sarin, Practising Company Secretary (PCS), Email ID: cs.gssarin@gmail.com, Mobile No.:

9814685649, Address: SCO 186-187, First Floor, Sector 47-C, Chandigarh, is appointed as the Scrutinizer for the above meetings to be called under this Order. An amount of Rs. 75,000/- (Rupees seventy five thousand only) plus applicable taxes will be paid for his services as the Scrutinizer, over and above the travel cost and out-of-pocket expenses, which shall be paid on an actual basis by the Applicant Companies.

H. It is directed that for the meeting of Unsecured Creditors, the creditors of each Applicant Company shall be classified into two classes - Related Parties and Non-Related Parties, as per the provisions of Section 2(76) of the Companies Act, 2013 and their respective meetings shall be held separately. The quorum for the said meetings shall be as follows:

| **Applicant Company** | **Creditor Class** | **Total Creditors** | **Total Debt Value** | **Quorum Requirement for Each Class – Related & Unrelated** |
|---|---|---|---|---|
| **Shahi Exports Pvt. Ltd.** (Applicant Company 1) | Unsecured | 3,034 | ₹842.35 Cr | Lower of 20 in number or 25% in value |
| **Shahi Knits Pvt. Ltd.** (Applicant Company 2) | Unsecured | 108 | ₹6.50 Cr | Lower of 10 in number or 25% in value |

| | | | | |
|---|---|---|---|---|
| **HSA Apparel Pvt. Ltd.** (Applicant Company 3) | Unsecured | 32 | ₹20.93 Cr | Lower of 5 in number or 25% in value |

I. If the quorum for the meetings of both the Secured and Unsecured creditors is not present within 30 minutes of the scheduled time, the meeting shall stand adjourned for one hour. If at the adjourned meeting, the quorum is still not present, the creditors present (minimum two) shall constitute the quorum for that class. The Scheme shall be deemed approved by the Creditors only if a majority in number and representing three-fourths (75%) in value of the creditors of such class, present and voting (including those voting through remote e-voting or e-voting at the meeting), vote in favour of the resolution as per Section 230(6) of the Act.

J. It is further directed that voting through a valid proxy has been dispensed by the Ministry of Corporate Affairs vide Circular No. 14/2020 dated 08.04.2020; hence, meetings of creditors shall not be conducted or counted through proxy.

K. The Applicant Companies shall issue the advertisements and send out the notices of the aforesaid meetings. The Chairperson shall have all the powers under the Articles of Association of the Applicant Companies and also under the Rules in relation to the

conduct of the meetings, including deciding any procedural questions that may arise at the meetings.

L. The Applicant Companies shall furnish a copy of the Scheme free of charge within one day of any requisition for the Scheme made by any creditor entitled to attend the meeting as aforesaid.

M. The Applicant Companies shall, in consultation with the Chairperson, file an Affidavit not less than 7 (seven) days before the date fixed for the meetings and report to this Tribunal that the directions regarding issuance of notices and advertisement of the meetings have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

N. It is further ordered that the Chairperson shall report to this Tribunal on the result of the meeting in Form No. CAA-4, along with an affidavit, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, within 7 (seven) working days from the date of conclusion of the aforesaid meetings. The Chairperson would be fully assisted by the authorised representative/Company Secretary of the Applicant Companies and the Scrutinizer for conducting the required meetings and preparing and finalising the report.

21. With the aforesaid directions, the First Motion Company Application bearing CA(CAA) No. 25/Chd/Hry/2026 stands allowed and disposed of, by giving liberty to the Applicant Companies to file a

Second Motion Petition under Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

22. A copy of this Order shall be supplied to the Learned Counsel for the Applicant Companies.

**Sd/-**

**(SHISHIR AGARWAL)**
**Member (Technical)**

**Sd/-**

**(KHETRABASI BISWAL)**
**Member (Judicial)**

Kanak

**NATIONAL COMPANY LAW TRIBUNAL**

**CHANDIGARH BENCH (COURT–I)**

**Item No.7**
**COMP.APPL/200 (CH)2026**
**In**
**CA(CAA) No. 25/Chd/Hry/2026**
**(1st Motion)**
**(Allowed on 24.09.2026)**

**IN THE MATTER OF:**

**Shahi Exports Pvt. Ltd.**

**.. .Transferor Company**

**Under Sections: 230-232 of CA 2013, Rule 11 of NCLT Rules,2016**

**Order delivered on 16.10.2026**

**CORAM:**

**SHRI. SHISHIR AGARWAL** **SHRI. K.BISWAL**

**HON'BLE MEMBER (T)** **HON'BLE MEMBER (J)**

**PRESENT:-**

For the Transferor Company: Mr. Dhritiman Bhattacharyya, Advocate
Ms. Deeti Ojha, Advocate

**ORDER**

**COMP.APPL/200 (CH)2026**

1. This Company Application has been filed for seeking rectification of the order dated 24.09.2026 passed in CA(CAA) No. 25/Chd/Hry/2026. The Learned Counsel for the Applicants explained that the order dated 24.09.2026 passed in the above-mentioned matter contains certain clerical errors for which the following rectifications have been sought:

(i) In Para 2.3.a, the table reflecting the capital structure of Applicant Company No. 3 is to be replaced with the following:

| **Particulars** | **Amount in INR** |
|---|---|
| Authorised Capital | |
| 100,000 Equity Shares of INR 10/- each | 10,00,000 |
| Total | 10,00,000 |
| Paid-up Capital | |
| 10,000 Equity Shares of INR 10/- each | 1,00,000 |
| Total | 1,00,000 |

(ii) In Para 2.4.a., the table reflecting the capital structure of Applicant Company No. 4 is to be replaced with the following:

| **Particulars** | **Amount in INR** |
|---|---|
| Authorised Capital | |
| 10,000 Equity Shares of INR 10/- each | 1,00,000 |
| Total | 1,00,000 |
| Paid-up Capital | |
| 10,000 Equity Shares of INR 10/- each | 1,00,000 |
| Total | 1,00,000 |

(iii) In Para 4, the dates of the provisional financial statements of Applicant Companies Nos. 1, 2 and 3, mentioned as "31.12.2025", and Applicant Company No. 4, mentioned as "31.01.2026", shall be read as "31.05.2026".

(iv) In Paras 5, 12 and 19.E, "25.02.2026" to be read as "20.07.2026."

(v) In Para 8.a, the share exchange ratio is to be replaced and read as follows:

*"1 (One) fully paid voting equity share of the Resulting Company, each bearing a face value of INR 10/- per share, to be issued for 1 (one) fully paid voting equity share (Class EQ) of the Demerged Company, each having a face value of INR 10/- per share.*

*Further, 95 (ninety-five) fully paid voting equity shares of the Resulting Company, each having a face value of INR 10/- per share, to be issued for every 100 (hundred) fully paid non-voting*

*equity shares of EQ Class B of the Demerged Company, each having a face value of INR 10/- per share";*

*(b)* the date of the valuation report reflected in Para 8 as "25.02.2026" is to be read as "17.07.2026".

(vi) In Para 11.a for "31.01.2026", to be read as "31.05.2026", and

(b) for the table, the following shall be replaced,

| **Particulars** | **Applicant Co. 1** | **Applicant Co. 2** | **Applicant Co. 3** | **Applicant Co. 4** |
|---|---|---|---|---|
| No. of Equity Shareholders | 4 | 2 | 2 | 4 |
| Consent of Equity Shareholders | All obtained | All obtained | All obtained | All obtained |
| No. of Secured Creditors | 6 (INR 1,658.96 Cr.) | 1 (INR 37.01 Cr.) | 1 (INR 0.26 Cr.) | Nil |
| No. of Unsecured Creditors | 3,041 (INR 718.59 Cr.) | 96 (INR 151.42 Cr.) | 23 (INR 32.26 Cr.) | Nil |

(vii) In Para 20.H, for the table, the following shall be replaced:

| **Applicant Company** | **Creditor Class** | **Total Creditors** | **Total Debt Value** | **Quorum Requirement for Each Class – Related & Unrelated** |
|---|---|---|---|---|
| Shahi Exports Pvt. Ltd. (Applicant Company 1) | Unsecured | 3,041 | ₹718.59 Cr. | Lower of 20 in number or 25% in value |
| Shahi Knits Pvt. Ltd. (Applicant Company 2) | Unsecured | 96 | ₹151.42 Cr. | Lower of 10 in number or 25% in value |
| HSA Apparel Pvt. Ltd. (Applicant Company 3) | Unsecured | 23 | ₹32.26 Cr. | Lower of 5 in number or 25% in value |

(viii) Para 20.J shall stand deleted;

2. We note that in the order dated 24.09.2026 the mistakes were clerical in nature which were inadvertently done. Therefore, in the exercise of powers conferred in rule 11 of the NCLT Rules, 2016, the said order dated 24.09.2026 is rectified.
3. We direct the Registry to upload the corrected version of the order.
4. In view of the same, COMP.APPL/200/(CH)2026 is allowed and disposed of.

**Sd/-**
**(Shishir Agarwal)**
**Member (Technical)**

**Sd/-**
**(Khetrabasi Biswal)**
**Member (Judicial)**

Annexure C

KAPIL NAYYAR
Registered Valuer – Securities or Financial Asset
**Registration No. IBBI/RV/02/2019/12155**

Date: 17/07/2026

The Board of Directors,
**SHAHI EXPORTS PRIVATE LIMITED,**
IP-1, Sector-28, Faridabad, Sector 29,
Haryana 121008

The Board of Directors,
**SHAHI GARMENTS PRIVATE LIMITED,**
IP-1, Sector-28, Faridabad, Sector 29,
Haryana 121008

**STRICTLY CONFIDENTIAL**

Dear Sir/Madam,

**Subject:** Report on share entitlement ratio for the proposed demerger of the Apparel Business of Shahi Exports Private Limited (SEPL) into Shahi Garments Private Limited (SGPL).

I refer to the engagement letter ("Engagement Agreement"), whereby I, Kapil Nayyar, Registered Valuer, was appointed by Shahi Exports Private Limited ("SEPL") and Shahi Garments Private Limited ("SGPL") for recommendation of fair equity share entitlement ratio for the proposed demerger of the Apparel Business of SEPL ("Apparel Business ") into SGPL, a group company of SEPL ("Proposed Demerger" or "Proposed Transaction") on going concern basis pursuant to the scheme of arrangement between SEPL and SGPL (The scheme).

In accordance with my Engagement Agreement, I am pleased to present the following Report ("Report" or "Fair Equity Share Entitlement Ratio Report") in connection with the recommendation of fair equity share entitlement ratio for the Proposed Demerger.

SEPL and SGPL are hereinafter collectively referred to as "you" or "Clients" or "Companies".

I have determined the fair equity share entitlement ratio for the proposed demerger as on April 01, 2026 ("Valuation Date" or "Report Date"). A summary of analysis is presented in the accompanying Report, as well as description of the methodology and procedure used, and the factors I have considered in forming the opinion.

## 1. SCOPE AND PURPOSE OF THIS REPORT

I understand that the Companies are contemplating a demerger of Apparel Business of SEPL into SGPL pursuant to a scheme of arrangement under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme of Arrangement" or "Scheme").

Under the Scheme, the shareholders of SEPL would be issued and allotted equity shares of SGPL as a consideration for the Proposed Demerger.

In this connection, the Board of Directors of SEPL and Board of Directors of SGPL have appointed me, Kapil Nayyar, Registered Valuer, to recommend the fair equity share entitlement ratio, for the Proposed Demerger ("Purpose"). This Report is my deliverable in respect of the same.

This Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Kapil Nayyar
Registered Valuer - Securities or Financial Assets
Registration No. : IBBI/RV/02/2019/12155

The report is prepared solely for the purpose of the Proposed Demerger, relies on information and representations furnished by management without independent verification and should not be used for any other purpose or relied upon by any party other than the Companies/its Board and regulatory authorities.

## 2. BACKGROUND OF THE TRANSACTING COMPANIES

**Shahi Exports Private Limited**

Shahi Exports Private Limited ('Demerged Company' or 'SEPL') is a private company incorporated on 15 July 2005 under the Companies Act, 1956 with registered office situated at IP-1, Sector-28, Faridabad, Sector 29, Haryana 121008, India.

The company is primarily engaged in designing, manufacturing, and selling a wide range of readymade garments including textile mills and fabric items, catering to the needs of several leading international fashion brands and retailers. It is also involved in the generation of power for the captive use in its factories.

The paid up equity share capital of SEPL as on 1st April 2026 consists of Voting Equity Shares (Class EQ) and Non-Voting Equity Shares (EQ Class B) of face value of INR 10 each. The shareholding pattern of SEPL as on 1st April 2026 is as under: -

| Name of Shareholder | Number of Voting Equity Shares (Class EQ) (Face Value INR 10 each) | % of Voting Equity Shares (Class EQ) shareholding | Number of Non-Voting Equity Shares (EQ Class B) (Face Value INR 10 each) | % of Non-Voting Equity Shares (EQ Class B) shareholding |
|---|---|---|---|---|
| Harish Ahuja | 9 | 0.01% | 34,20,700 | 95.15% |
| M/S Delhi Brass & Metal Works Pvt. Ltd. | 4,95,900 | 4.85% | 1,74,360 | 4.85% |
| HPA Business Trust | 97,21,216 | 95.15% | | |
| Anant Ahuja | 01 | 0.01% | | |
| **Total** | **1,02,17,126** | | **35,95,060** | |

Class EQ shares carry voting rights, whereas EQ Class B shares do not carry voting rights. Except for this, both classes rank pari passu.

Demerged Undertaking:

Demerged undertaking means the undertaking of the Demerged company pertaining to the Apparel Business. For the purpose of this Report, the Apparel Business comprises the garments business, textile business, and power business.

I understand that in order to realign the business operations of SEPL enabling distinct focus on each of the businesses, such that SEPL can focus on the Remaining Business, and the Apparel Business gets consolidated in SGPL, the SEPL proposes to demerge its Apparel Business into SGPL.

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Shahi Garments Private Limited

Shahi Garments Private Limited ('Resulting/Transferee Company' or SGPL') is a private company incorporated on 15 December 2025, under the Companies Act, 2013 with registered office situated at Industrial Plot-1, Sector-28, Mathura Road, Faridabad- 121003, Haryana, India. The company is incorporated to engage into the business of manufacturing and exporting the readymade garments.

The paid equity share capital of SGPL as on 1st April 2026 consists of 10,000 voting equity shares of face value of INR 10 each. The shareholding pattern of SGPL as on 1st April 2026 is as under:

| Name of Shareholder | Number of Voting Equity shares (Face Value INR 10 each) | % of shareholding |
|---|---|---|
| Harish Ahuja | 2,476 | 24.76 |
| M/S Delhi Brass & Metal Works Pvt. Ltd. | 485 | 4.85 |
| HPA Business Trust | 7,038 | 70.38 |
| Anant Ahuja | 1 | 0.01 |
| **Total** | **10,000** | **100.00** |

## 3. PURPOSE OF VALUATION

The scheme provides for demerger of the demerged undertaking of SEPL to SGPL, and corresponding issuance of equity shares of the Resulting Company to the shareholders of SEPL.

In this regard I have been appointed to determine the share entitlement ratio for the purpose of demerger as part of the scheme.

## 4. SOURCES OF INFORMATION

- For undertaking this valuation exercise, I have relied on the following sources of information provided by the management/ representatives of the Companies:

  1. Provisional Financials of SEPL for Financial Year ("FY") as on date May 31, 2026
  2. Shareholding pattern of SEPL and SGPL as on April 01, 2026
  3. Composite Scheme of Arrangement between SEPL and SGPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013
  4. Beneficiary Position (BENPOS) as on 1 April 2026 and as on current date
  5. Financials of the Apparel business (Segmental) for the period ending 31st May 2026

- Other relevant data and information provided to me by the representatives of the Companies either in written or oral form or in form of soft copy.

- I have also obtained the explanations, information, and representations, which I believed were reasonably necessary and relevant for my exercise from the management of SEPL ("Management"). SEPL has been provided with the opportunity to review the draft Report (excluding the recommended Fair Share Entitlement Ratio) as part of my standard practice to make sure that factual inaccuracies/ omissions are avoided in my final Report.

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*The Management has informed me that there would be no significant variation between the draft Scheme and the final scheme approved and to be submitted with the relevant authorities.*

**4. PROCEDURES ADOPTED**

Procedures used in my analysis included such substantive steps as I considered necessary under the circumstances, including but not limited to the following:

- Discussion with the Management to:

  1. Understand the rationale for the Proposed Demerger and the Scheme
  2. Understand the current and proposed capital structure of SGPL
  3. Understand the business and fundamental factors that affect the operations of SEPL and SGPL

- Requested and received financial and qualitative information

- Analysis of information shared by the Management

- Reviewed the draft Scheme of Arrangement between the Companies

- Reviewed the provisional financial statements of SEPL and the provisional financial statements of the Demerged Undertaking and SGPL, as made available by the Management

- Reviewed the shareholding pattern of SEPL and SGPL as on April 1, 2026, including the BENPOS statement

- Determined the fair share entitlement ratio for issue of equity shares of SGPL to the shareholders of SEPL as consideration for the Proposed Demerger after taking into consideration the proposed capital structure of SGPL.

**5. APPROACH FOR DETERMINATION OF FAIR ENTITLEMENT RATIO**

- As mentioned earlier, as per the Scheme, the Demerged Undertaking is proposed to be demerged from SEPL into SGPL. SEPL has identified all the assets and liabilities of Apparel Business of SEPL which are to be taken over by and transferred to SGPL and corresponding issuance of equity shares of Resulting Company to the shareholders of SEPL.

- Based on my review of the shareholding pattern of SEPL and SGPL as on April 01,2026, SEPL has two classes of equity shares- Class EQ (with voting rights) and EQ Class B (without voting rights) ,both ranking *pari passu* in all respects as to economic entitlements, including dividend and participation in net assets upon liquidation. The Resulting Company will have only one class of equity shares, carrying full voting rights.

- Since Class EQ and EQ Class B shares rank *pari passu* on all economic entitlements based on the terms of the documents made available to me, in my opinion, the economic interest of the shareholders of the Demerged Company as existing immediately prior to the demerger is expected to remain unchanged upon and after the demerger; accordingly, in my view, the demerger would not be expected to result in any alteration or dilution of their beneficial economic interest. Based on the facts and representations made available to me, and subject to the assumptions and limiting conditions stated in this report, the share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company, and the Proposed Demerger is considered value-neutral to the Demerged Company's shareholders.

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- Considering the above facts and circumstances, and solely for the limited purpose of determining the share entitlement ratio in the context of the Proposed Demerger (as distinct from determining absolute fair value), the share entitlement ratio is not expected to have a material bearing on the fairness of the Proposed Demerger, as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain substantially the same . This conclusion is based on the facts, representations, and information furnished to me by the management of the Company, which I have relied upon without independent verification, subject to there being no material change in facts thereafter. I have therefore not considered it necessary to carry out an independent valuation of the subject business for the limited purpose of this engagement.

- Further, since the Resulting Company will issue only one class of equity shares carrying full voting rights, in my opinion, the share entitlement ratio of EQ Class B shareholders of SEPL should be appropriately discounted relative to the Class EQ share entitlement ratio, to reflect the voting rights differential.

- In accordance with ICAI Valuation Standard 301, the value of a specific equity interest is determined having regard to the rights, privileges, and restrictions attaching to the class of shares being valued. On the basis that Class EQ (with voting rights) and EQ Class B (with non -voting rights) of SEPL rank *pari passu* in all economic entitlements, in my opinion their intrinsic economic value would be substantially similar, the principal distinction being the voting rights attaching to Class EQ shares.

- Having regard to generally accepted industry benchmarks on voting rights discounts, I have applied a Discount for Lack of Voting Rights (DLVR) of 5% to the share entitlement ratio of EQ Class B shareholders. The said DLVR is a ratio-adjustment applied solely to neutralize the voting rights differential between the two classes and does not constitute an independent valuation of the Demerged Undertaking or an opinion on the absolute fair value of either class of shares.

**6. RECOMMENDATION OF FAIR SHARE ENTITLEMENT RATIO FOR THE PROPOSED MERGER**

Based on the foregoing and on the consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, a share entitlement ratio in the event of the Proposed Demerger would be as follows:

*"1 (One) fully paid voting Equity Share of INR 10/- (Indian Rupee Ten) each in SGPL for every 1 (One) fully paid voting Equity Share (Class EQ) of INR 10/- (Indian Rupee Ten) each held in SEPL".*

*" 9.5 (Nine and a half ) fully paid voting Equity Share of INR 10/- (Indian Rupee Ten) each in SGPL for every 10 (ten) fully paid non voting Equity Share of EQ Class B of INR 10/- (Indian Rupee Ten) each held in SEPL".*

My Report on fair share entitlement ratio is based on the current equity share capital structure of SEPL and SGPL as mentioned above. Any variation in the equity share capital structure of SEPL and SGPL, apart from as mentioned above, may have an impact on the fair share entitlement ratio.

**Accordingly, in my opinion, the aforesaid share entitlement ratio is fair and appropriate for the Proposed Demerger, having regard to the fact that**

**(i) Class EQ shareholders' inter-se proportionate economic interest remains unchanged, given the pari passu economic entitlement between Class EQ and EQ Class B shares as discussed above, and**

**Kapil Nayyar**
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(ii) **(ii) the ratio applicable to EQ Class B shareholders appropriately incorporates a Discount for Lack of Voting Rights to account for the voting rights differential, as set out above.**

**Since the proportionate economic entitlement of the shareholders is not expected to undergo any material change pursuant to the Proposed Demerger, I have not considered it necessary to determine the fair value of the subject business for the limited purpose of this engagement**

**7. SCOPE LIMITATIONS**

- Provision of fair equity share entitlement ratio recommendation and consideration of the issues described herein are areas of my regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting, or tax related services that may otherwise be provided by me, my directors/employees.

- The recommendation contained herein is not intended to represent the fair equity share entitlement ratio at any time other than Record Date as referred to in Scheme.

- This Report, its contents and the results herein are specific to (i) the terms of my engagement; (ii) the date of this Report and (iii) are based on Scheme of the Proposed Demerger. The Management of the Companies has represented that the business activity of Apparel Business of SEPL has been carried out in the normal and ordinary course between 1 April 2026 and the Report date and that no material adverse change has occurred in their respective operations and financial position between 1 April 2026 and the Report date.

- The recommendation(s) rendered in this Report only represent my views based upon information furnished by the Companies (or their representatives) and publicly available information and the said recommendation(s) shall be considered to be in the nature of non-binding advice. In addition, I express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Demerger.

- The determination of fair equity share entitlement ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single share entitlement ratio. While I have provided my recommendation of the share entitlement ratio based on the information available to me and within the scope and constraints of my engagement, others may have a different opinion as to the share entitlement ratio of the equity shares of SEPL. The final responsibility for the determination of the share entitlement ratio at which the proposed demerger shall take place will be with the Board of Directors who should consider other factors such as their own assessment of the Proposed Demerger and input of other advisors.

- In accordance with the terms of my engagement and in accordance with the customary approach adopted in such exercises, I have not audited, reviewed, or otherwise investigated the financial information provided to me. Accordingly, I do not express any opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements.

- Also, with respect to explanations and information sought from the Clients, I have been given to understand by the Clients that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with me in case of any doubt. My conclusions are based on the assumptions and information given by/on behalf of the Clients.

Kapil Nayyar
Registered Valuer - Securities or Financial Assets
Registration No. : IBBI/RV/02/2019/12155

- The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated, and that they will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited financial statements of the Companies.

- I am not an advisor with respect to legal, tax and regulatory matters for the Proposed Demerger.

- This Report does not investigate the business/ commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction, or other alternatives, or whether such alternatives could be achieved or are available. This Report is restricted to recommendation of equity share entitlement ratio only. Its suitability and applicability of any other use have not been checked by me.

- No investigation of the Clients' claims to title of assets has been made for the purpose of this report and the SEPL's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

- I owe responsibility to the Client which has appointed me under the terms of my agreement and nobody else. I do not accept any liability to any third party in relation to the issuance of this Report. The fee for the Engagement is not contingent upon the results reported.

- This Report is subject to the Laws of India.

Yours faithfully,

Kapil Nayyar
Registered Valuer - Securities or Financial Assets
Registration No. : IBBI/RV/02/2019/12155

Kapil Nayyar

Registered Valuer

**IBBI Registration Number:** IBBI/RV/02/2019/12155

**VRN:** IOV/2026-2027/13101

**Place:** New Delhi

**Date:** 17/07/2026

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**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF SHAHI EXPORTS PRIVATE LIMITED, HELD ON MONDAY, JULY 20, 2026 AT 12:00 P.M. AT THE REGISTERED OFFICE AT THE REGISTERED OFFICE AT INDUSTRIAL PLOT-1, SECTOR-28, FARIDABAD, HARYANA -121008**

Approval to the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and rules made thereunder among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders

**"RESOLVED THAT:**

a. The Company be and is hereby authorized to enter into a Composite Scheme of Arrangement with 1st April, 2026 as the Appointed Date;

b. Pursuant to the provisions of Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules made thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force) and enabling provisions of the Memorandum of Association of the Company and subject to the requisite approvals of the jurisdictional National Company Law Tribunal ("NCLT"), the Draft Composite Scheme of Arrangement among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders, as applicable, inter alia providing for demerger of the garments, textile business and power business (Demerged Undertaking) of Shahi Exports Private Limited into Shahi Garments Private Limited and amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited into Shahi Garments Private Limited, as per the terms and conditions provided under the Scheme, placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

c. the report issued by **Kapil Nayyar**, Registered Valuer, dated July 17, 2026, recommending the Share Entitlement Ratio for proposed demerger of the Demerged Undertaking of the Demerged Company, as set out in the Scheme, placed before the Board, be and is hereby approved and accepted;

Shahi Exports Pvt. Ltd.
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d. The report made in pursuance of the requirements of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on the each class of shareholders and creditors, as applicable, key managerial personnel, as placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

e. Any Director of the Company and Mr. Rakesh Kumar, Company Secretary of the Company for and on behalf of the Company be and are hereby jointly or severally authorized to sign all documentation and further to take all actions as may be necessary under Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force), the applicable Rules thereunder, and any other legislation, to implement the aforesaid Scheme and in particular:

i. To make application along with Scheme and other relevant information/ documents with the concerned regulatory authorities, shareholders, creditors, lenders or any other person to obtain prior approval/ consent to the Scheme including but not limited to any other statutory body;

ii. To verify, sign and file applications, petitions, pleadings, affidavits, Vakalatnama and other relevant documents to the jurisdictional NCLT, or any other statutory authorities for seeking directions to dispense with the requirement of holding meeting(s) of shareholders / creditors of the Company or take necessary steps to convene such meetings if not dispensed with, and for obtaining the sanction of the jurisdictional NCLT, to the Scheme;

iii. To sign and issue advertisements / notices to the stakeholders or any other person as per the directions of the jurisdictional NCLT;

iv. To make such alterations and changes and / or modifications in the aforesaid applications/ petitions, Scheme or any other documents as may be expedient and necessary for satisfying the requirements and conditions imposed, if any, by the jurisdictional NCLT, or any statutory authority, or to communicate/ correspond with stakeholders including banks, local authorities, etc. and to do all such acts, deeds, matters and things for putting the Scheme into effect;

v. To engage lawyers, chartered accountants or any other consultants in connection with implementation of Scheme;

vi. To obtain the certified copy of order passed by the jurisdictional NCLT, and file the same with the concerned Registrar of Companies, respective offices of Collector of Stamps for adjudication of stamp duty at applicable rates in force, and other statutory authorities;

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vii. To make representation before the jurisdictional NCLT, any regulatory authorities including but not limited to Central or State Government, Regional Director, Registrar of Companies in connection with proposed Scheme and filing any letter, replies, documents or papers for and behalf of the Company;

viii. To authorize officers of the Company and to do all such acts, deeds, matters and things as may be necessary, proper and expedient for effectuating and implementing the Scheme, including any directions for settling any question or doubt or difficulty whatsoever that may arise to give effect to the resolution or any other document that may then be deemed fit and to authorize/ sub-delegate any of the aforementioned authorities in connection with Scheme to another person / lawyer / consultant.

ix. To represent the Company before any Competent Authority or other regulatory authorities including Central or State Government, Income Tax, Official Liquidator, Regional Director, Registrar of Companies, Reserve Bank of India, Government of India, and before all Courts of law or NCLT for the purpose of the proposed Scheme, signing and filing of all documents, forms, returns, deeds, applications, notices, petitions, affidavits and letters, to finalize and execute all necessary applications/documents/papers for and behalf of the Company and to do all such acts, deeds, matters and things necessary and convenient for all or any of the purposes aforesaid."

**FURTHER RESOLVED THAT** a certified true copy of above resolutions may be forwarded wherever required, under the signature of any directors or Company Secretary of the Company.

**"CERTIFIED TO BE TRUE COPY"**
For and on behalf of Board of Director

**M/s Shahi Exports Private Limited**

**Rakesh Kumar**
**(Company Secretary)**
**ACS 21913**
**Add.: C-97, Dayanand Colony,**
**Lajpat Nagar, South Delhi, Delhi-110024**

shahi

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SHAHI EXPORTS PRIVATE LIMITED AT ITS MEETING HELD ON MONDAY, JULY 20, 2026 AT 12:00 P.M. AT THE REGISTERED OFFICE AT INDUSTRIAL PLOT-1, SECTOR-28, FARIDABAD, HARYANA -121008 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT ON THE SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. Background**

1.1 The proposed Composite Scheme of Arrangement (Scheme) between Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders. The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the directors to adopt a report explaining the effect of the arrangement under the Scheme on each class of shareholders, key managerial personnel ("KMP"), etc, laying out in particular the share exchange ratio, specifying any special valuation difficulties. The said report is required to be circulated along with the notice convening the Meeting.

1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

**2. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders)**

2.1 There are only equity shareholders in the Demerged Company. On the Scheme being implemented, the equity shareholders of Shahi Exports Private Limited would get equity shares in Shahi Garments Private Limited as under:

*"1 (One) fully paid voting Equity Share of INR 10/- (Indian Rupee Ten) each in Shahi Garments Private Limited for every 1 (One) fully paid voting Equity Share (Class EQ) of INR 10/- (Indian Rupee Ten) each held in Shahi Exports Private Limited."*

*"95 (Ninety-Five) fully paid voting Equity Share of INR 10/- (Indian Rupee Ten) each in Shahi Garments Private Limited for every 100 (Hundred) fully paid non-voting Equity Share of EQ Class B of INR 10/- (Indian Rupee Ten) each held in Shahi Exports Private Limited."*

2.2 No shareholder is required under the Scheme to dispose off any part of his shareholding either to any of the other shareholder or in the market or otherwise.

**3. Effect of the Scheme on Staff, Workmen And Employees:**

3.1 On the Scheme becoming effective all the staff, workmen and employees of the Demerged Undertaking of the Company shall deemed to have become the employees of the Transferee Company, without any break or interruption in their services, with all accrued benefits of employment from the date of employment and on not less favorable terms and conditions on which they are engaged as on the effective date. The Transferee Company further agrees that for

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the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Company, shall also be taken into account. The Transferee Company undertakes to continue to abide by the terms of agreement/settlement entered into by the Company, with employee or associations of the Company.

3.2 The accounts/funds of the staff, workmen and employees whose services are transferred under the Scheme, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of the Transferee Company and such staff, workmen and employees shall be deemed to have become members of such Trusts / Funds of Transferee Company. It is clarified that the services of the staff, workmen and employees of the Company will be treated as having been continuous for the purpose of the said Fund or Funds.

3.3 There is no effect of the Scheme on the staff, workmen and employees of the Resulting Company.

**4. Effect of the Scheme of Arrangement on Creditors:**

4.1 In respect of the Scheme, no liabilities of the creditors of the Company is being reduced or being extinguished under the Scheme and all liabilities of the Company pertaining to the Demerged Undertaking shall stand transferred to the Transferee Company without causing any change in the original terms as agreed.

4.2 As on date, the Company has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise. As on date, the Company has not issued any debentures. In the circumstances, the effect of the Scheme on the debenture trustee does not arise.

4.3 There is no effect of the Scheme on the creditors of the Resulting Company.

**5. Effect of the Scheme of Arrangement on the key managerial personnel and / or the Board of Directors:**

5.1 The key managerial personnel and/or the Board of Directors of the Company will continue to hold office as the Company.

5.2 Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Company or other transferor companies or the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Company or other transferor companies or the Transferee Company and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Company or other transferor companies or the Transferee Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

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**6. Valuation**

6.1 For the purpose of arriving at the share exchange ratio, an independent Valuation Report dated July 17, 2026 has been obtained from Mr. Kapil Nayyar, Registered Valuer (Registration No. IBBI/RV/02/2019/12155) recommending the share entitlement ratio as stated in para 2.1.

By Order of the Board

SHAHI EXPORTS PVT. LTD.

**Rakesh Kumar**
**(Company Secretary)**
**ACS 21913**
**Add.: C-97, Dayanand Colony,**
**Lajpat Nagar, South Delhi,**
**Delhi-110024**

Date: 20.07.2026
Place: Faridabad

Sh i Knits Private Limited
Registered office: IP-1, Sector-28, Faridabad-121008
(CIN – U17299HR2022PTC141698) Tel:0129-4288000
E-mail: secretarial@shahi.co.in Fax- 080-26591123

Annexure E

**CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF SHAHI KNITS PRIVATE LIMITED, HELD ON MONDAY, JULY 20, 2026 AT 02:00 P.M AT THE REGISTERED OFFICE AT IP-1, SECTOR – 28, FARIDABAD, HARYANA- 121008**

Approval to the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and rules made thereunder among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders

**"RESOLVED THAT:**

a. The Company be and is hereby authorized to enter into a Composite Scheme of Arrangement with 1st April, 2026 as the Appointed Date;

b. Pursuant to the provisions of Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules made thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force) and enabling provisions of the Memorandum of Association of the Company and subject to the requisite approvals of the jurisdictional National Company Law Tribunal ("NCLT"), the Draft Composite Scheme of Arrangement among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders, as applicable, inter alia providing for demerger of the garments, textile business and power business (Demerged Undertaking) of Shahi Exports Private Limited into Shahi Garments Private Limited and amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited into Shahi Garments Private Limited, as per the terms and conditions provided under the Scheme, placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

c. The report made in pursuance of the requirements of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on the each class of shareholders and creditors, as applicable, key managerial personnel, as placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

d. Any Director of the Company and Mr. Rakesh Kumar, Authorized Signatory, on behalf of the Company be and are hereby jointly or severally authorized to sign all

documentation and further to take all actions as may be necessary under Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force), the applicable Rules thereunder, and any other legislation, to implement the aforesaid Scheme and in particular:

i. To make application along with Scheme and other relevant information/ documents with the concerned regulatory authorities, shareholders, creditors, lenders or any other person to obtain prior approval/ consent to the Scheme including but not limited to any other statutory body;

ii. To verify, sign and file applications, petitions, pleadings, affidavits, Vakalatnama and other relevant documents to the jurisdictional NCLT, or any other statutory authorities for seeking directions to dispense with the requirement of holding meeting(s) of shareholders / creditors of the Company or take necessary steps to convene such meetings if not dispensed with, and for obtaining the sanction of the jurisdictional NCLT, to the Scheme;

iii. To sign and issue advertisements / notices to the stakeholders or any other person as per the directions of the jurisdictional NCLT;

iv. To make such alterations and changes and / or modifications in the aforesaid applications/ petitions, Scheme or any other documents as may be expedient and necessary for satisfying the requirements and conditions imposed, if any, by the jurisdictional NCLT, or any statutory authority, or to communicate/ correspond with stakeholders including banks, local authorities, etc. and to do all such acts, deeds, matters and things for putting the Scheme into effect;

v. To engage lawyers, chartered accountants or any other consultants in connection with implementation of Scheme;

vi. To obtain the certified copy of order passed by the jurisdictional NCLT, and file the same with the concerned Registrar of Companies, respective offices of Collector of Stamps for adjudication of stamp duty at applicable rates in force, and other statutory authorities;

vii. To make representation before the jurisdictional NCLT, any regulatory authorities including but not limited to Central or State Government, Regional Director, Registrar of Companies in connection with proposed Scheme and filing any letter, replies, documents or papers for and behalf of the Company;

viii. To authorize officers of the Company and to do all such acts, deeds, matters and things as may be necessary, proper and expedient for effectuating and implementing the Scheme, including any directions for settling any question or doubt or difficulty whatsoever that may arise to give effect to the resolution or any other document that may then be deemed fit and to authorize/ sub-delegate

Shahi Knits Private Limited

any of the aforementioned authorities in connection with Scheme to another person / lawyer / consultant.

ix. To represent the Company before any Competent Authority or other regulatory authorities including Central or State Government, Income Tax, Official Liquidator, Regional Director, Registrar of Companies, Reserve Bank of India, Government of India, and before all Courts of law or NCLT for the purpose of the proposed Scheme, signing and filing of all documents, forms, returns, deeds, applications, notices, petitions, affidavits and letters, to finalize and execute all necessary applications/documents/papers for and behalf of the Company and to do all such acts, deeds, matters and things necessary and convenient for all or any of the purposes aforesaid."

**FURTHER RESOLVED THAT** a certified true copy of above resolutions may be forwarded wherever required, under the signature of any directors of the Company.

**"CERTIFIED TO BE TRUE COPY"**
For and on behalf of Board of Director

**M/s Shahi Knits Private Limited**

Shahi Knits Private Limited

**Punish Katyal**
**(Director)**
**Din: 10819686**
**Add.: House No -5B-47, NIT 5,**
**Faridabad, Haryana- 121001**

**Shahi Knits Private Limited**

Registered office: IP-1, Sector-28, Faridabad-121008
(CIN - U17299HR2022PTC141698) Tel:0129-4288000
E-mail: secretarial@shahi.co.in Fax- 080-26591123

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SHAHI KNITS PRIVATE LIMITED AT ITS MEETING HELD ON MONDAY, JULY 20, 2026 AT 02:00 P.M AT THE REGISTERED OFFICE AT IP-28, SECTOR-28, FARIDABAD, HARYANA-121008 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT ON THE SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. Background**

1.1 The proposed Composite Scheme of Arrangement ('Scheme') between Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders. The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the directors to adopt a report explaining the effect of the arrangement under the Scheme on each class of shareholders, key managerial personnel ("KMP"), etc, laying out in particular the share exchange ratio, specifying any special valuation difficulties. The said report is required to be circulated along with the notice convening the Meeting.

1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

**2. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders)**

2.1 There are only equity shareholders in the Company. Since the Company will become wholly owned subsidiary of the Transferee Company, the entire share capital held by the Transferee Company will stand cancelled and no shares will be issued.

**3. Effect of the Scheme on Staff, Workmen And Employees:**

3.1 On the Scheme becoming effective all the staff, workmen and employees of the Company shall deemed to have become the employees of the Transferee Company, without any break or interruption in their services, with all accrued benefits of employment from the date of employment and on not less favorable terms and conditions on which they are engaged as on the effective date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Company, shall also be taken into account. The Transferee Company undertakes to continue to abide by the terms of agreement/settlement entered into by the Company, with employee or associations of the Company.

3.2 The accounts/funds of the staff, workmen and employees whose services are transferred under the Scheme, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of the Transferee Company and such staff, workmen and employees shall be deemed to have become members of such Trusts / Funds of Transferee Company. It is clarified that the services of the staff, workmen and employees of the Company will be treated as having been continuous for the purpose of the said Fund or Funds.

**4. Effect of the Scheme of Arrangement on Creditors:**

Shahi Knits Private Limited

4.1 In respect of the Schcmc, no liabilities of the creditors of the Company is being reduced or being extinguished under the Scheme and all liabilities of the Company shall stand transferred to the Transferee Company without causing any change in the original terms as agreed

4.2 As on date, the Company has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise. As on date, the Company has not issued any debentures. In the circumstances, the effect of the Scheme on the debenture trustee does not arise.

**5. Effect of the Scheme of Arrangement on the key managerial personnel and / or the Board of Directors:**

5.1 The key managerial personnel and/or the Board of Directors of the Company will cease to hold office as the Company will stand dissolved on sanction of the Scheme. No compensation shall be payable for the same.

5.2 Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Company or other transferor companies or the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Company or other transferor companies or the Transferee Company and/or to the extent that the said Directors), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Company or other transferor companies or the Transferee Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

**By Order of the Board**

Shahi Knits Private Limited

**Punish Katyal**
**(Director)**
**Din: 10819686**
**Add.: House No -5B-47, NIT 5,**
**Faridabad, Haryana- 121001**

**Date: 20.07.2026**
**Place: Faridabad**

Registered office: IP-1, Sector-28, Faridabad, Haryana-121008
(CIN –U17120HR2008PTC141699) Ph: 0129-4288000; E-mail: secretarial@shahi.co.in

**CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF HSA APPAREL PRIVATE LIMTED, HELD ON MONDAY, JULY 20, 2026 AT 11:00 A.M. AT THE REGISTERED OFFICE AT IP- 1, SECTOR – 28, FARIDABAD, HARYANA- 121008**

Approval to the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and rules made thereunder among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders

**"RESOLVED THAT:**

a. The Company be and is hereby authorized to enter into a Composite Scheme of Arrangement with 1st April, 2026 as the Appointed Date;

b. Pursuant to the provisions of Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules made thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force) and enabling provisions of the Memorandum of Association of the Company and subject to the requisite approvals of the jurisdictional National Company Law Tribunal ("NCLT"), the Draft Composite Scheme of Arrangement among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders, as applicable, inter alia providing for demerger of the garments, textile business and power business (Demerged Undertaking) of Shahi Exports Private Limited into Shahi Garments Private Limited and amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited into Shahi Garments Private Limited, as per the terms and conditions provided under the Scheme, placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

c. The report made in pursuance of the requirements of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on each class of shareholders and creditors, as applicable, key managerial personnel, as placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

d. Any director of the Company and Mr. Rakesh Kumar, Authorised Signatory on behalf of the Company be and are hereby jointly and severally authorized to sign all documentation



and further to take all actions as may be necessary under Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force), the applicable Rules thereunder, and any other legislation, to implement the aforesaid Scheme and in particular:

i. To make application along with Scheme and other relevant information/ documents with the concerned regulatory authorities, shareholders, creditors, lenders or any other person to obtain prior approval/ consent to the Scheme including but not limited to any other statutory body;

ii. To verify, sign and file applications, petitions, pleadings, affidavits, Vakalatnama and other relevant documents to the jurisdictional NCLT, or any other statutory authorities for seeking directions to dispense with the requirement of holding meeting(s) of shareholders / creditors of the Company or take necessary steps to convene such meetings if not dispensed with, and for obtaining the sanction of the jurisdictional NCLT, to the Scheme;

iii. To sign and issue advertisements / notices to the stakeholders or any other person as per the directions of the jurisdictional NCLT;

iv. To make such alterations and changes and / or modifications in the aforesaid applications/ petitions, Scheme or any other documents as may be expedient and necessary for satisfying the requirements and conditions imposed, if any, by the jurisdictional NCLT, or any statutory authority, or to communicate/ correspond with stakeholders including banks, local authorities, etc. and to do all such acts, deeds, matters and things for putting the Scheme into effect;

v. To engage lawyers, chartered accountants or any other consultants in connection with implementation of Scheme;

vi. To obtain the certified copy of order passed by the jurisdictional NCLT, and file the same with the concerned Registrar of Companies, respective offices of Collector of Stamps for adjudication of stamp duty at applicable rates in force, and other statutory authorities;

vii. To make representation before the jurisdictional NCLT, any regulatory authorities including but not limited to Central or State Government, Regional Director, Registrar of Companies in connection with proposed Scheme and filing any letter, replies, documents or papers for and behalf of the Company;

viii. To authorize officers of the Company and to do all such acts, deeds, matters and things as may be necessary, proper and expedient for effectuating and implementing the Scheme, including any directions for settling any question or

Pradeep Kr. R

HSA Apparel Private Limited

doubt or difficulty whatsoever that may arise to give effect to the resolution or any other document that may then be deemed fit and to authorize/ sub-delegate any of the aforementioned authorities in connection with Scheme to another person / lawyer / consultant.

ix. To represent the Company before any Competent Authority or other regulatory authorities including Central or State Government, Income Tax, Official Liquidator, Regional Director, Registrar of Companies, Reserve Bank of India, Government of India, and before all Courts of law or NCLT for the purpose of the proposed Scheme, signing and filing of all documents, forms, returns, deeds, applications, notices, petitions, affidavits and letters, to finalize and execute all necessary applications/documents/papers for and behalf of the Company and to do all such acts, deeds, matters and things necessary and convenient for all or any of the purposes aforesaid."

**FURTHER RESOLVED THAT** a certified true copy of above resolutions may be forwarded wherever required, under the signature of any directors of the Company.

**"CERTIFIED TO BE TRUE COPY"**
For and on behalf of Board of Director

**M/s HSA Apparel Private Limited**

Pradeep Kr. Rai

HSA Apparel Private Limited

**Pradeep Kumar Rai**
**Director**
**DIN: 11185346**
**Add.: 363, Jawahar Colony,**
**Sector-22, Faridabad, Haryana-121005**

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF HSA APPAREL PRIVATE LIMITED AT ITS MEETING HELD ON MONDAY, JULY 20, 2026 AT 11:00 A.M. AT IP-1, SECTOR-28, FARIDABAD, HARYANA -121008 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT ON THE SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. Background**

1.1 The proposed Composite Scheme of Arrangement ('Scheme') between Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders. The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the directors to adopt a report explaining the effect of the arrangement under the Scheme on each class of shareholders, key managerial personnel ("KMP"), etc, laying out in particular the share exchange ratio, specifying any special valuation difficulties. The said report is required to be circulated along with the notice convening the Meeting.

1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

**2. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders)**

2.1 There are only equity shareholders in the Company. Since the Company will become wholly owned subsidiary of the Transferee Company, the entire share capital held by the Transferee Company will stand cancelled and no shares will be issued.

**3. Effect of the Scheme on Staff, Workmen And Employees:**

3.1 On the Scheme becoming effective all the staff, workmen and employees of the Company shall deemed to have become the employees of the Transferee Company, without any break or interruption in their services, with all accrued benefits of employment from the date of employment and on not less favorable terms and conditions on which they are engaged as on the effective date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Company, shall also be taken into account. The Transferee Company undertakes to continue to abide by the terms of agreement/settlement entered into by the Company, with employee or associations of the Company.

3.2 The accounts/funds of the staff, workmen and employees whose services are transferred under the Scheme, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of the Transferee Company and such staff, workmen and employees shall be deemed to have become members of such Trusts / Funds of Transferee Company. It is clarified that the services of the staff, workmen and employees of the Company will be treated as having been continuous for the purpose of the said Fund or Funds.

**4. Effect of the Scheme of Arrangement on Creditors:**

Pradeep Kr. Pur

HSA Apparel Private Limited

4.1 In respect of the Scheme, no liabilities of the creditors of the Company is being reduced or being extinguished under the Scheme and all liabilities of the Company shall stand transferred to the Transferee Company without causing any change in the original terms as agreed

4.2 As on date, the Company has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise. As on date, the Company has not issued any debentures. In the circumstances, the effect of the Scheme on the debenture trustee does not arise.

**5. Effect of the Scheme of Arrangement on the key managerial personnel and / or the Board of Directors:**

5.1 The key managerial personnel and/or the Board of Directors of the Company will cease to hold office as the Company will stand dissolved on sanction of the Scheme. No compensation shall be payable for the same.

5.2 Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Company or other transferor companies or the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Company or other transferor companies or the Transferee Company and/or to the extent that the said Directors), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Company or other transferor companies or the Transferee Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

**By Order of the Board**

Pradeep Kr. Rai

HSA Apparel Private Limited

**Pradeep Kumar Rai**
**Director**
**DIN: 11185346**
**Address: 363, Jawahar Colony,**
**Sector-22, Faridabad, Haryana-121005**

**Date: 20.07.2026**
**Place: Faridabad**

Shahi Garments Private Limited

Registered office: Industrial Plot-1, Sector- 28, Mathura Road, Faridabad, Haryana-121003
(CIN – U14101HR2025PTC139262) Tel: 0129-4288000 Email: secretarial@shahi.co.in

Annexure G

**CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF SHAHI GARMENTS PRIVATE LIMITED, HELD ON MONDAY, JULY 20, 2026 AT 01:00 P.M AT THE REGISTERED OFFICE AT INDUSTRIAL PLOT NO. 1, SECTOR – 28, FARIDABAD, HARYANA- 121003**

Approval to the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and rules made thereunder among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders

**"RESOLVED THAT:**

a. The Company be and is hereby authorized to enter into a Composite Scheme of Arrangement with 1st April, 2026 as the Appointed Date;

b. Pursuant to the provisions of Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules made thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force) and enabling provisions of the Memorandum of Association of the Company and subject to the requisite approvals of the jurisdictional National Company Law Tribunal ("NCLT"), the Draft Composite Scheme of Arrangement among Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders, as applicable, inter alia providing for demerger of the garments, textile business and power business (Demerged Undertaking) of Shahi Exports Private Limited into Shahi Garments Private Limited and amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited into Shahi Garments Private Limited, as per the terms and conditions provided under the Scheme, placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

c. the report issued by **Kapil Nayyar**, Registered Valuer, dated July 17, 2026, recommending the Share Entitlement Ratio for proposed demerger of the Demerged Undertaking of the Demerged Company, as set out in the Scheme, placed before the Board, be and is hereby approved and accepted;

R. Paliwal

Shahi Garments Private Limited

d. The report made in pursuance of the requirements of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on the each class of shareholders and creditors, as applicable, key managerial personnel, as placed before the Board, duly initialed by the Chairman for the purpose of identification, be and is hereby approved;

e. Any Director of the Company and Mr. Rakesh Kumar, Authorized Signatory, on behalf of the Company be and are hereby jointly or severally authorized to sign all documentation and further to take all actions as may be necessary under Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force), the applicable Rules thereunder, and any other legislation, to implement the aforesaid Scheme and in particular:

i. To make application along with Scheme and other relevant information/ documents with the concerned regulatory authorities, shareholders, creditors, lenders or any other person to obtain prior approval/ consent to the Scheme including but not limited to any other statutory body;

ii. To verify, sign and file applications, petitions, pleadings, affidavits, Vakalatnama and other relevant documents to the jurisdictional NCLT, or any other statutory authorities for seeking directions to dispense with the requirement of holding meeting(s) of shareholders / creditors of the Company or take necessary steps to convene such meetings if not dispensed with, and for obtaining the sanction of the jurisdictional NCLT, to the Scheme;

iii. To sign and issue advertisements / notices to the stakeholders or any other person as per the directions of the jurisdictional NCLT;

iv. To make such alterations and changes and / or modifications in the aforesaid applications/ petitions, Scheme or any other documents as may be expedient and necessary for satisfying the requirements and conditions imposed, if any, by the jurisdictional NCLT, or any statutory authority, or to communicate/ correspond with stakeholders including banks, local authorities, etc. and to do all such acts, deeds, matters and things for putting the Scheme into effect;

v. To engage lawyers, chartered accountants or any other consultants in connection with implementation of Scheme;

vi. To obtain the certified copy of order passed by the jurisdictional NCLT, and file the same with the concerned Registrar of Companies, respective offices of Collector of Stamps for adjudication of stamp duty at applicable rates in force, and other statutory authorities;

R. Paliwal

Shahi Garments Private Limited

vii. To make representation before the jurisdictional NCLT, any regulatory authorities including but not limited to Central or State Government, Regional Director, Registrar of Companies in connection with proposed Scheme and filing any letter, replies, documents or papers for and behalf of the Company;

viii. To authorize officers of the Company and to do all such acts, deeds, matters and things as may be necessary, proper and expedient for effectuating and implementing the Scheme, including any directions for settling any question or doubt or difficulty whatsoever that may arise to give effect to the resolution or any other document that may then be deemed fit and to authorize/ sub-delegate any of the aforementioned authorities in connection with Scheme to another person / lawyer / consultant.

ix. To represent the Company before any Competent Authority or other regulatory authorities including Central or State Government, Income Tax, Official Liquidator, Regional Director, Registrar of Companies, Reserve Bank of India, Government of India, and before all Courts of law or NCLT for the purpose of the proposed Scheme, signing and filing of all documents, forms, returns, deeds, applications, notices, petitions, affidavits and letters, to finalize and execute all necessary applications/documents/papers for and behalf of the Company and to do all such acts, deeds, matters and things necessary and convenient for all or any of the purposes aforesaid."

**FURTHER RESOLVED THAT** a certified true copy of above resolutions may be forwarded wherever required, under the signature of any directors of the Company.

**"CERTIFIED TO BE TRUE COPY"**
For and on behalf of Board of Director

**M/s Shahi Garments Private Limited**

R. Paliwal

Shahi Garments Private Limited

**Rajesh Harishankar Paliwal**
**Director**
**DIN: 09749556**
**Add: Vikas Milk centre shop no-5,**
**Sadguru Nivas,G.D Ambedkar Marg,**
**Parel Village, Mumbai-400012**

Shahi Garments Private Limited

Registered office: Industrial Plot-1, Sector- 28, Mathura Road, Faridabad, Haryana-121003
(CIN – U14101HR2025PTC139262) Tel: 0129-4288000 Email: secretarial@shahico.in

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SHAHI GARMENTS PRIVATE LIMITED AT ITS MEETING HELD ON MONDAY, JULY 20, 2026 AT 01:00 P.M AT THE REGISTERED OFFICE AT INDUSTRIAL PLOT NO. 1, SECTOR – 28, FARIDABAD, HARYANA- 121003 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT ON THE SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. Background**

1.1 The proposed Composite Scheme of Arrangement (Scheme) between Shahi Exports Private Limited (Demerged Company) and Shahi Knits Private Limited (Transferor Company No. 1) and HSA Apparel Private Limited (Transferor Company No. 2) and Shahi Garments Private Limited (Resulting/Transferee Company) and their shareholders. The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the directors to adopt a report explaining the effect of the arrangement under the Scheme on each class of shareholders, key managerial personnel ("KMP"), etc, laying out in particular the share exchange ratio, specifying any special valuation difficulties. The said report is required to be circulated along with the notice convening the Meeting.

1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

**2. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders)**

2.1 There are only equity shareholders in the Demerged Company. On the Scheme being implemented, the equity shareholders of Shahi Exports Private Limited would get equity shares in Shahi Garments Private Limited as under:

*"1 (One) fully paid voting Equity Share of INR 10/- (Indian Rupee Ten) each in Shahi Garments Private Limited for every 1 (One) fully paid voting Equity Share (Class EQ) of INR 10/- (Indian Rupee Ten) each held in Shahi Exports Private Limited."*

*"95 (Ninety-Five) fully paid voting Equity Share of INR 10/- (Indian Rupee Ten) each in Shahi Garments Private Limited for every 100 (Hundred) fully paid non-voting Equity Share of EQ Class B of INR 10/- (Indian Rupee Ten) each held in Shahi Exports Private Limited."*

2.2 No shareholder is required under the Scheme to dispose off any part of his shareholding either to any of the other shareholder or in the market or otherwise.

**3. Effect of the Scheme on Staff, Workmen And Employees:**

3.1 On the Scheme becoming effective all the staff, workmen and employees of the Demerged Undertaking of the Company shall deemed to have become the employees of the Transferee Company, without any break or interruption in their services, with all accrued benefits of employment from the date of employment and on not less favorable terms and conditions on which they are engaged as on the effective date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted

R. Paldwal

Shahi Garments Private Limited

past services with the Company, shall also be taken into account. The Transferee Company undertakes to continue to abide by the terms of agreement/settlement entered into by the Company, with employee or associations of the Company.

3.2 The accounts/funds of the staff, workmen and employees whose services are transferred under the Scheme, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of the Transferee Company and such staff, workmen and employees shall be deemed to have become members of such Trusts / Funds of Transferee Company. It is clarified that the services of the staff, workmen and employees of the Company will be treated as having been continuous for the purpose of the said Fund or Funds.

3.3 There is no effect of the Scheme on the staff, workmen and employees of the Resulting Company.

**4. Effect of the Scheme of Arrangement on Creditors:**

4.1 In respect of the Scheme, no liabilities of the creditors of the Company is being reduced or being extinguished under the Scheme and all liabilities of the Company pertaining to the Demerged Undertaking shall stand transferred to the Transferee Company without causing any change in the original terms as agreed.

4.2 As on date, the Company has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise. As on date, the Company has not issued any debentures. In the circumstances, the effect of the Scheme on the debenture trustee does not arise.

4.3 There is no effect of the Scheme on the creditors of the Resulting Company.

**5. Effect of the Scheme of Arrangement on the key managerial personnel and / or the Board of Directors:**

5.1 The key managerial personnel and/or the Board of Directors of the Company will continue to hold office as the Company.

5.2 Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Company or other transferor companies or the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Company or other transferor companies or the Transferee Company and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Company or other transferor companies or the Transferee Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

R. Paliwal

Shahi Garments Private Limited

**6. Valuation**

6.1 For the purpose of arriving at the share exchange ratio, an independent Valuation Report dated July 17, 2026 has been obtained from Mr. Kapil Nayyar, Registered Valuer (Registration No. IBBI/RV/02/2019/12155) recommending the share entitlement ratio as stated in para 2.1.

By Order of the Board

R. Paliwal

Shahi Garments Private Limited

**Rajesh Harishankar Paliwal**
**Director**
**DIN: 09749556**
**Add: Vikas Milk centre shop no-5,**
**Sadguru Nivas,G.D Ambedkar Marg,**
**Parel Village, Mumbai-400012**

Date: 20.07.2026
Place: Faridabad

Annexure H

# FINANCIAL STATEMENTS OF

# SHAHI EXPORTS PRIVATE LIMITED
# FOR THE YEAR ENDED 31 MARCH 2026

In Crores

PMSS & CO.
CHARTERED ACCOUNTANTS

Office Add. : 118 B, G. F., Sector- 30-33,
Indraprastha Colony, Faridabad -121003

Ph. : 0129 - 4108211 Mob. : 9811797396
e-mail : camishrajipuneet@gmail.com

Date .....

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Shahi Exports Private Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of Shahi Exports Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 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 audit opinion on the standalone financial statements.

**Responsibilities of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including

the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.

**Report on Other Legal and Regulatory Requirements**

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

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on 31 March 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 paragraph (b) above.

(g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report;

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

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

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds 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 person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, no funds 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 person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

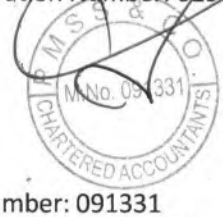
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material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



v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

vi. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

**For PMSS & Co.**
Chartered Accountants
ICAI Firm Registration Number: 019667N




**Puneet Mishra**
Partner
Membership Number: 091331
UDIN: 26091331VUJPBD7716

Place: Faridabad
Date: 25 September 2026

**Annexure A to Independent Auditor's Report**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Standalone Financial Statements of Shahi Exports Private Limited]

(i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant & equipment).

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

(b) Fixed assets were physically verified by the management during the year in accordance with a planned programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee) 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) and Intangible assets 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 management has conducted physical verification of inventory at reasonable intervals during the year and no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(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 on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.



(iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has provided loan, advances in the nature of loans and stood guarantees or provided securities to the companies as follows:

(₹ in crores)

| | Loans | Guarantees |
|---|---|---|
| A) Aggregate amount granted/ provided during the year: | | |
| i) Subsidiaries & Associates | 1,548.15 | 260.69 |
| ii) Others | - | 3.03 |
| B) Balance outstanding as at balance sheet date in respect of above cases: | | |
| i) Subsidiaries & Associates | 1,175.73 | 828.07 |
| ii) Others | 89.33 | 6.02 |

(b) The investments made, guarantees provided and the terms and conditions of grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

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

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, no amounts were overdue for more than ninety days during the year.

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

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year except for the loans granted to subsidiary companies as stated in clause (iii)(a).

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of products manufactured by the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

P M S S & CO. M. No. 091331 CHARTERED ACCOUNTANTS

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income tax and goods and service tax on account of any dispute, are as follows:

(₹ in crores)

| Name of the Statue | Nature of dues | Amount demanded (Rs. in Cr) | Amount paid (Rs. in Cr) | Period to which amount relates | Forum where the dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act | Income Tax | 0.21 | 0.04 | Assessment Year 2015-16 | Income Tax Appellate Authority |
| Income Tax Act | Income Tax | 0.63 | 0.47 | Assessment Year 2017-18 | Income Tax Appellate Authority |
| Income Tax Act | Income Tax | 9.25 | 1.85 | Assessment Year 2020-21 | Income Tax Appellate Authority |
| Income Tax Act | Income Tax | 25.44 | 5.09 | Assessment Year 2021-22 | Income Tax Appellate Authority |
| Goods and Services Tax Act | Goods and Services Tax | 0.52 | 0.05 | 2021-22 | Appellate Authority (UP) |
| Goods and Services Tax Act | Goods and Services Tax | 0.15 | 0.01 | 2021-22 | Appellate Authority (OR) |
| Goods and Services Tax Act | Goods and Services Tax | 0.79 | - | 2023-24, 2024-25 | Office of the ACCT Enforcement (KA) |
| Goods and Services Tax Act | Goods and Services Tax | 2.64 | - | 2020-21 to 2024-25 | South Division Central Tax (KA) |
| Goods and Services Tax Act | Goods and Services Tax | 0.21 | - | 2017-18 | Appeal Tribunal (KA) |
| Goods and Services Tax Act | Goods and Services Tax | 1.45 | - | 2020-21 | Appeal Tribunal (KA) |
| Goods and Services Tax Act | Goods and Services Tax | 0.02 | - | 2025-26 | State Jurisdiction (AP) |
| Goods and Services Tax Act | Goods and Services Tax | 5.52 | - | 2022-23 | State Jurisdiction Palladam (TN) |
| Goods and Services Tax Act | Goods and Services Tax | 0.31 | - | 2023-24 | State Jurisdiction Palladam (TN) |

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

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

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(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) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(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 the related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and the details have been disclosed in the notes to the 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 Companies Act, 2013 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) According to the information and explanations provided to us, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.



(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 Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For PMSS & Co.**
Chartered Accountants
ICAI Firm Registration Number: 019667N



**Puneet Mishra**
Partner
Membership Number: 091331
UDIN: 24091331VVJPBD7716

Place: Faridabad
Date: 25 September 2026

**Annexure B to Independent Auditor's Report**

[Referred to in paragraph 2(g) under "Report on other legal and regulatory requirements" section of our report of even date on the Standalone Financial Statements of Shahi Exports Private Limited]

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

We have audited the internal financial controls with reference to standalone financial statements of Shahi Exports Private Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.



**Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

A Company's internal financial controls with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For PMSS & Co.**
Chartered Accountants
ICAI Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
UDIN: 26091331VUJIB07716

Place: Faridabad
Date: 25 September 2026

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**STANDALONE BALANCE SHEET AS AT 31 MARCH, 2026**

All amounts are in ₹ Crores, unless otherwise stated

| | Notes | As at 31 March, 2026 | As at 31 March, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 1,368.94 | 1,297.67 |
| Capital work-in-progress | 3 | 60.48 | 15.61 |
| Intangible assets | 3 | 13.17 | 14.94 |
| Financial assets | 4 | | |
| (i) Investments | 4(i) | 789.92 | 754.17 |
| (ii) Loans | 4(ii) | 1,265.06 | 1,640.78 |
| (iii) Other financial assets | 4(iii) | 54.88 | 55.24 |
| Deferred tax assets (net) | 5 | 6.04 | 64.33 |
| Other non-current assets | 6 | 6.72 | 6.77 |
| **Total Non-current assets** | | **3,565.21** | **3,849.51** |
| **Current assets** | | | |
| Inventories | 7 | 1,772.40 | 1,670.55 |
| Financial Assets | 8 | | |
| (i) Investments | 8(i) | 3,561.74 | 2,352.98 |
| (ii) Trade receivables | 8(ii) | 2,639.71 | 2,364.10 |
| (iii) Cash and cash equivalents | 8(iii) | 287.28 | 703.81 |
| (iv) Bank balances other than (iii) above | 8(iv) | 5.68 | 8.73 |
| (v) Other financial assets | 8(v) | 44.61 | 35.90 |
| Current tax assets (net) | 9 | 30.65 | 23.82 |
| Other current assets | 10 | 257.44 | 303.24 |
| **Total Current assets** | | **8,599.51** | **7,463.13** |
| **TOTAL ASSETS** | | **12,164.72** | **11,312.64** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Share capital | 11 | 13.81 | 13.83 |
| Other Equity | 12 | 7,795.37 | 7,076.50 |
| **Total** | | **7,809.18** | **7,090.33** |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Financial liabilities | 13 | | |
| (i) Borrowings | 13(i) | 233.32 | - |
| (ii) Lease liability | 13(ii) | 75.19 | 87.94 |
| Provisions | 14 | 282.14 | 302.54 |
| Other non-current liabilities | 16(i) | 26.20 | 30.87 |
| **Total Non- current liabilities** | | **616.85** | **421.35** |
| **Current liabilities** | | | |
| Financial liabilities | 15 | | |
| (i) Borrowings | 15(i) | 1,851.14 | 1,855.21 |
| (ii) Lease liability | 13(ii) | 12.75 | 11.11 |
| (iii) Trade Payables | 15(ii) | | |
| Total outstanding dues of micro enterprises and small enterprises | | 6.59 | 4.35 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 971.73 | 1,302.66 |
| (iv) Other financial liabilities | 15(iii) | 814.48 | 555.53 |
| Provisions | 14 | 10.06 | 4.54 |
| Other current liabilities | 16(ii) | 71.94 | 67.56 |
| **Total Current Liabilities** | | **3,738.69** | **3,800.96** |
| **TOTAL EQUITY AND LIABILITIES** | | **12,164.72** | **11,312.64** |

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

As per our report of even date
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
Place: Faridabad
*Date: 25 September 2026*

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

**J.D. Giri**
(Director)
DIN: 00047490

**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Rakesh Kumar**
(Company Secretary)
ACS: 21913

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2026**

**All amounts are in ₹ Crores, unless otherwise stated**

| | Note | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 17 | 10,627.93 | 9,987.41 |
| Other income | 18 | 674.50 | 418.04 |
| **Total income** | | **11,302.43** | **10,405.45** |
| | | | |
| **EXPENSES** | | | |
| Cost of raw materials consumed | 19 | 3,828.93 | 3,555.57 |
| Purchases of stock-in-trade | 20 | 1,192.04 | 1,178.31 |
| Changes in inventories of finished goods and work-in-progress | 21 | (68.96) | (181.09) |
| Employee benefits expense | 22 | 2,715.18 | 2,495.61 |
| Research and development expenses | 23 & 3 | 74.31 | 68.28 |
| Finance costs | 24 | 147.58 | 103.95 |
| Depreciation and amortization expense | 3 | 187.93 | 176.82 |
| Other expenses | 25 | 1,965.82 | 1,698.49 |
| **Total expenses** | | **10,042.83** | **9,095.93** |
| | | | |
| **Profit before tax** | | **1,259.60** | **1,309.52** |
| | | | |
| **Tax expenses:** | | | |
| Current tax | | 197.16 | 276.22 |
| Deferred tax (credit)/charge | | 58.29 | (43.46) |
| | | **255.45** | **232.76** |
| | | | |
| **Profit for the year (1)** | | **1,004.15** | **1,076.76** |
| | | | |
| **Other comprehensive income / (loss):** | | | |
| *Items that may be reclassified to profit or loss* | | | |
| Gains/(loss) on forward exchange contracts (net) | | (266.67) | (29.57) |
| Fair value gain/(loss) on equity instruments designated at FVOCI (net) | | 32.60 | - |
| **Other comprehensive income/(loss) for the year (2)** | | **(234.07)** | **(29.57)** |
| | | | |
| **Total comprehensive income for the year (1+2)** | | **770.08** | **1,047.19** |
| | | | |
| **Earnings per equity share of Rs 10 each (Previous year: Rs 10)** | | | |
| Basic & Diluted (in ₹) | | 727 | 780 |

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

As per our report of even date
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
Place: Faridabad
Date: 25 September 2026

**For and on behalf of the Board of Directors of**
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**J.D. Giri**
(Director)
DIN: 00047490

**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Rakesh Kumar**
(Company Secretary)
ACS: 21913

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2026**

All amounts are in ₹ Crores, unless otherwise stated

**A. Share Capital**

| | Equity share capital | | Preference share capital | |
|---|---|---|---|---|
| **Particulars** | **Number** | **Amount** | **Number** | **Amount** |
| **As at 1 April, 2024** | 1,38,12,186 | 13.81 | 15,000 | 0.02 |
| Changes in share capital | - | - | - | - |
| **As at 31 March, 2025** | 1,38,12,186 | 13.81 | 15,000 | 0.02 |
| Changes in share capital | - | - | (15,000) | (0.02) |
| **As at 31 March, 2026 (Refer Note 11)** | 1,38,12,186 | 13.81 | - | - |

**B. Other equity**

**For the year ended 31 March 2026**

| **Particulars** | **Reserves and Surplus** | | | | **Loss on forward contracts through other comprehensive income** | **Equity instrument through other comprehensive income** | **Total Equity** |
|---|---|---|---|---|---|---|---|
| | **Retained Earnings** | **Capital Reserve** | **Capital Redemption Reserve** | **Share Premium** | | | |
| **Balance as at 1 April 2025** | 6,936.46 | 4.96 | - | 135.08 | - | - | 7,076.50 |
| Profit for the year | 1,004.15 | - | - | - | - | - | 1,004.15 |
| Gains/(loss) on forward exchange contracts (net) | - | - | - | - | (266.67) | - | (266.67) |
| Fair value gain of investment in equity instruments designated at FVOCI | - | - | - | - | - | 32.60 | 32.60 |
| Preference shares redeemed during the year | (0.02) | - | 0.02 | (51.21) | - | - | (51.21) |
| Dividend paid | (0) | | - | - | - | - | (0) |
| **Balance as at 31 March 2026** | **7,940.59** | **4.96** | **0.02** | **83.87** | **(266.67)** | **32.60** | **7,795.37** |

**For the year ended 31 March 2025**

| **Particulars** | **Reserves and Surplus** | | | | **Loss on forward contracts through other comprehensive income** | **Equity instrument through other comprehensive income** | **Total Equity** |
|---|---|---|---|---|---|---|---|
| | **Retained Earnings** | **Capital Reserve** | **Capital Redemption Reserve** | **Share Premium** | | | |
| **Balance as at 1 April 2024** | 5,863.81 | 4.96 | - | 135.08 | 29.57 | - | 6,033.42 |
| Profit for the year | 1,076.76 | - | - | - | - | - | 1,076.76 |
| Gains/(loss) on forward exchange contracts (net) | - | - | - | - | (29.57) | - | (29.57) |
| Leases Ind AS impact | (4.11) | - | - | - | - | - | (4.11) |
| Dividend paid | (0) | - | - | - | - | - | (0) |
| **Balance as at 31 March 2025** | **6,936.46** | **4.96** | - | **135.08** | - | - | **7,076.50** |

As per our report of even date
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
Place: Faridabad
Date: 25 September 2026

**For and on behalf of the Board of Directors of**
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**J.D. Giri**
(Director)
DIN: 00047490

**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Rakesh Kumar**
(Company Secretary)
ACS: 21913

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2026**

**All amounts are in ₹ Crores, unless otherwise stated**

| S.No. | Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|---|
| A | **Cash flow from operating activities** | | |
| | Profit before tax | 1,259.60 | 1,309.52 |
| | **Adjustments for:** | | |
| | Depreciation and amortization expense | 188.90 | 178.38 |
| | Unrealized foreign exchange loss/(gain) | (112.65) | (2.33) |
| | Net (Profit)/Loss on sale/discarding of property, plant & equipment | (1.95) | (21.67) |
| | Interest and income from investments | (189.86) | (181.11) |
| | Leases Ind AS impact | - | (4.11) |
| | Redemption of preference shares | (51.23) | - |
| | Derivative reserve on foreign exchange forward contracts | (266.67) | - |
| | Fair value gain on equity instruments designated at FVOCI | 32.60 | - |
| | Provision for doubtful debts | - | 41.67 |
| | Finance costs | 147.59 | 103.95 |
| | **Operating profit /(loss) before Working Capital Change** | **1,006.33** | **1,424.30** |
| | (Increase)/Decrease in Trade receivables | (160.12) | (178.67) |
| | (Increase)/Decrease in inventories | (101.83) | (216.25) |
| | (Decrease)/Increase in Trade payables | (331.52) | 347.46 |
| | (Increase)/Decrease in other Current and Financial assets | 396.27 | (491.64) |
| | (Increase)/Decrease in other Current and Financial liabilities | 241.54 | (115.57) |
| | **Changes in Working Capital** | **44.34** | **(654.18)** |
| | **Cash generated from operations** | **1,050.67** | **769.63** |
| | Income Taxes Paid (net of refund) | (178.00) | (252.00) |
| | **Net cash from/ (used in) operating activities** | **872.67** | **517.63** |
| B | **Cash flow from investing activities** | | |
| | Payment for purchase of property, plant & equipment and capital work in progress | (307.98) | (323.42) |
| | Proceeds from sale of property, plant & equipment | 6.66 | 28.39 |
| | (Purchase)/proceeds from investments | (1,244.52) | (1,355.68) |
| | Interest and income from Investments | 180.82 | 216.01 |
| | **Net cash from/ (used in) investing activities** | **(1,365.02)** | **(1,434.70)** |
| C | **Cash flow from financing activities** | | |
| | Proceeds/(repayments) of long term borrowings | 233.32 | - |
| | Proceeds/(repayments) of short term borrowings | (4.07) | 413.40 |
| | Repayment of lease liabilities | (18.63) | 73.50 |
| | Finance cost paid | (137.85) | (100.70) |
| | Dividend paid | (0) | (0) |
| | **Net cash from/ (used in) financing activities** | **72.77** | **386.20** |
| D | **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **(419.58)** | **(530.87)** |
| E | **Cash and cash equivalents at the beginning of the year** | **712.54** | **1,243.41** |
| F | **Cash and cash equivalents at the end of the financial year (D+E)** | **292.96** | **712.54** |
| | **Cash and cash equivalents comprises :** | | |
| | Cash on hand | 0.47 | 0.41 |
| | Balance with Banks | 292.49 | 712.13 |
| | Refer note 8(iii) and 8(iv) for components of Cash and Cash Equivalents | **292.96** | **712.54** |

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

As per our report of even date
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
Place: Faridabad
Date: 25 September 2026

**For and on behalf of the Board of Directors of**
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(Director)
DIN: 00047490

**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Rakesh Kumar**
(Company Secretary)
ACS: 21913

## 1 Background

The company is primarily engaged in the business of designing, manufacturing and selling a wide range of readymade garments and fabric items and caters to the needs of several leading international fashion brands and retailers. The principle source of revenue for the company is from the export of garments and allied products. The Company is also engaged in generating, accumulating, supplying and distributing wind and solar power.

## 2 Basis of preparation of financial Statements

### Compliance with Indian Accounting Standard (Ind AS) and Historical cost convention

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These standalone financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values. The Financial Statements are presented in INR (₹) and all values are rounded off to the nearest Crores with 2 decimal places, except when otherwise indicated. Figures marked with Zero (0) are below the rounding off norm adopted by the Company.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which the changes are made.

### Summary of Material Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

## 2.1 Current verses non-current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
(a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
(b) Held primarily for the purpose of trading
(c) Expected to be realised within twelve months after the reporting period, or
(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

P M S S & CO CHARTERED ACCOUNTANTS M.No. 001331

A liability is current when:
(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**2.2 Property, plant and equipment**

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on a pro-rata basis using written down value (WDV) method based on useful lives of the assets estimated by the management which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

**Capital work in progress**
Cost of assets not ready for intended use, as the balance sheet date, is shown as capital work in progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

**2.3 Intangible assets**

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets relating to Computer Software are depreciated over the estimated useful lives which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013.

Intangible assets acquired in a business combination are recognised at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

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## 2.4 Inventories

Raw materials, packing materials, stores, spares and consumables are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work in progress, finished goods and other inventories are valued at lower of cost or net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.

The net realizable value is determined with reference to selling price of goods less the estimated cost necessary to make the sale.

## 2.5 Revenue recognition

**i) Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Company is generally the principal as it typically controls the goods before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

**ii) Interest income**

Interest Income is recognized, when it is probable that the economic benefits will flow to the Company, on a time proportion basis taking into account the outstanding amount and the applicable interest rate.

**iii) Dividends**

Dividend income on investments is accounted when the right to receive the dividend is established.

## 2.6 Government Grants and Export incentives

Government Grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is netted off with the relevant expense. Where the grants relates to an asset, it is recognized as income over the expected useful life of the related assets.

Export incentives are recognised on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the Company will comply with the conditions attached to them.

## 2.7 Foreign currency transactions

**Functional Currency**

The functional and presentation currency of the Company is Indian Rupee (₹) which is the currency of the primary economic environment in which the Company operates.

**Transactions and translations**

Transactions in foreign currencies are translated at the exchange rates prevailing on the date of transaction. Foreign exchange gains and losses resulting from the settlement of transaction in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currency at year end exchange rates are generally recognized in Profit and Loss.

Forward currency contract are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative. Change in the fair value of forward contract are recognized through Other Comprehensive Income as forward contracts are not against underlying assets/liabilities.

**2.8 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A. Financial assets**

**(i) Initial recognition and measurement**

At initial recognition, the Company measures a financial asset at its fair value, plus in the case of a financial asset not recorded at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**(ii) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified as debt instruments and equity instruments.

**(a) Debt instruments**

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

Amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Fair value through other comprehensive income (FVOCI): A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency, however no such designation has been made. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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**(b) Equity instruments**

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost on first time adoption of Ind AS. Equity instruments which are held for trading are classified as at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at Fair Value Through Other Comprehensive Income (FVTOCI) or Fair Value Through Profit or Loss (FVTPL). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**(c) Investment in subsidiaries and Joint Venture**

Investment in equity instruments of subsidiaries and joint venture is carried at cost less impairment, if any. At the end of each reporting period the Company assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

**(iii) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company's similar financial assets) is primarily derecognised when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred substantially all the risks and rewards of the asset.

The Company derecognises a financial asset when:

– the contractual rights to the cash flows from the financial asset expire; or

– it transfers the rights to receive the contractual cash flows in a transaction in which either:

• substantially all of the risks and rewards of ownership of the financial asset are transferred; or

• the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

**(iv) Impairment of financial assets**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, loans, advances, security deposits, trade receivables etc. held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort.

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets on a case to case basis. The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low.

P M S S & CO CHARTERED ACCOUNTANTS M.No. 091331

**B. Financial liabilities**

**(i) Initial recognition, measurement and presentation**

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings, derivative financial instruments and financial guarantee contracts.

**(ii) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss. Financial liabilities are designated upon initial recognition as at fair value through profit or loss only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

**Trade Payables**

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

**(iii) De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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 or loss.

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

## 2.9 Derivative and hedging activities

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

**Cash flow hedge:**

The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

**Fair Value Hedge:**

Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.

**Financial instruments at fair value through profit or loss:**

This category has derivative financial instruments which are not designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

## 2.10 Employee Benefits

**(i) Short-term Obligations**

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are expected to be settled after the retirement of employee. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

**(iii) Post-employment obligations**

**Defined benefit plan**

**Gratuity**

Gratuity liability is a defined benefit obligation which is funded through policy taken from Life Insurance Corporation of India('LIC') and liability (net of fair value of investment in LIC) is provided for on projected unit credit method made at the end of each balance sheet date. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis. The Company makes defined contribution to the Gratuity Trust established for this purpose.

**Defined contribution plan**

**Provident Fund**

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company recognises contribution payable to provident and pension fund as expenditure, when an employee renders the related service.

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

## 2.11 Taxation

Tax expense for the year comprises current and deferred tax.

**Current tax**

Current income tax is recognised based on the taxable profit for the year, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet. Current tax assets and tax liabilities are offset where the Company 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.

**Deferred tax**

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

## 2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.

## 2.13 Impairment of non-financial assets

As at the end of each accounting year, the company reviews the carrying amounts of its property, plant and equipment, Right of use assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

## 2.14 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

## 2.15 Earnings per Share

**Basic earnings per share**
Basic earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**
Diluted earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

## 2.16 Research & Development

Property, plant and equipment (Fixed assets) acquired for Research and Development are capitalized. Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred.

## 2.17 Fair Value Measurement

The company measures financial instruments, such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either -

-In the principal market for the asset or liability, or
-In the absence of a principal market, in the most advantageous market for the asset or liability.

## 2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Chief Executive Officer of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments, by the Management of the Company who generally assesses the financial performance and position of the Company and makes strategic decisions.

P.M.S.S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

## 2.19 Leases

The Company has adopted Ind AS 116 "Leases" from 01 April 2019.

The Company's lease asset classes primarily consist of leases for buildings. The Company as a lessee assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.
Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 2.20 Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and demand deposits with the banks. It also includes short-term deposits with original maturities of three months or less.



SHAHI EXPORTS PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March, 2026

3 Property, plant and equipment, capital work-in-progress and intangible assets

All amounts are in ₹ Crores, unless otherwise stated

a. Property, plant and equipment other than research and development

| Particulars | Freehold land | Leasehold land | Leasehold Improvements | Buildings | Right of use asset Buildings | Roads | Tubewell | Plant and machinery | Windmill | Solar | Laboratory equipments | Electricals | Vehicles | Furniture & fixtures | Office equipment | Computers | Paintings | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2025 | 142.57 | 26.11 | 4.05 | 731.02 | 124.93 | 17.96 | 1.55 | 1,697.50 | 42.14 | 485.75 | 3.29 | 167.48 | 44.36 | 48.51 | 24.62 | 92.79 | 0.19 | 3,654.82 |
| Additions | 52.56 | - | - | 40.36 | - | - | - | 134.70 | - | 0.20 | 0.19 | 9.56 | 4.44 | 1.62 | 3.94 | 9.53 | - | 257.10 |
| Disposals | 0.16 | - | 4.05 | 0.62 | - | - | - | 27.59 | - | - | 0.10 | 0.53 | 3.24 | 0.61 | 0.35 | 2.81 | - | 40.06 |
| **As at 31 March, 2026** | **194.97** | **26.11** | **-** | **770.76** | **124.93** | **17.96** | **1.55** | **1,804.61** | **42.14** | **485.95** | **3.38** | **176.51** | **45.56** | **49.52** | **28.21** | **99.51** | **0.19** | **3,871.86** |
| **Depreciation** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2025 | - | - | 3.47 | 427.89 | 38.46 | 12.71 | 0.68 | 1,348.54 | 39.04 | 202.85 | 2.48 | 123.47 | 26.53 | 37.33 | 19.94 | 80.55 | 0.06 | 2,364.00 |
| Charge for the year | - | - | 0.16 | 28.00 | 13.79 | 0.75 | 0.05 | 78.46 | 0.37 | 32.06 | 0.29 | 6.67 | 5.20 | 3.96 | 2.26 | 12.54 | 0.01 | 184.57 |
| Disposals | - | - | 3.63 | 0.38 | - | - | - | 25.52 | - | - | 0.03 | 0.52 | 3.03 | 0.55 | 0.29 | 2.45 | - | 36.40 |
| **As at 31 March, 2026** | **-** | **-** | **-** | **455.51** | **52.25** | **13.46** | **0.73** | **1,401.48** | **39.41** | **234.91** | **2.74** | **129.62** | **28.70** | **40.74** | **21.91** | **90.64** | **0.07** | **2,512.17** |
| **Net block** | **194.97** | **26.11** | **-** | **315.25** | **72.68** | **4.50** | **0.82** | **403.13** | **2.73** | **251.04** | **0.64** | **46.89** | **16.86** | **8.78** | **6.30** | **8.87** | **0.12** | **1,359.69** |

Research and development*

| Particulars | Plant and machinery | Buildings | Laboratory Equipment | Electricals | Furniture & fixtures | Office equipment | Computers | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| As at 1 April, 2025 | 18.59 | 0.04 | 5.23 | 0.35 | 0.18 | 0.04 | 3.19 | 27.62 |
| Additions | 0.69 | - | 1.24 | 0.37 | 0.17 | 0.01 | 0.87 | 3.35 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 31 March, 2026** | **19.28** | **0.04** | **6.47** | **0.72** | **0.35** | **0.05** | **4.06** | **30.97** |
| **Depreciation** | | | | | | | | |
| As at 1 April, 2025 | 14.50 | 0.02 | 3.16 | 0.30 | 0.16 | 0.02 | 2.61 | 20.77 |
| Charge for the year | 0.43 | 0 | 0.27 | 0.01 | 0 | 0 | 0.23 | 0.95 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 31 March, 2026** | **14.93** | **0.02** | **3.43** | **0.31** | **0.16** | **0.03** | **2.84** | **21.72** |
| **Net block** | **4.35** | **0.02** | **3.04** | **0.41** | **0.19** | **0.02** | **1.22** | **9.25** |

b. Capital work-in-progress ageing schedule for the year ended 31 March 2026 is as follows:

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Projects in progress | 59.52 | 0.96 | - | | 60.48 |
| **Total** | **59.52** | **0.96** | **-** | **-** | **60.48** |

c.

| Particulars | Intangible assets | | | |
|---|---|---|---|---|
| | Computer Software | Computer Software (Research)* | Brand | Total |
| **Gross Block** | | | | |
| As at 1 April, 2025 | 33.40 | 2.51 | 20.70 | 56.61 |
| Additions | 2.67 | - | - | 2.67 |
| Disposals | 0.51 | - | 20.70 | 21.21 |
| **As at 31 March, 2026** | **35.56** | **2.51** | **-** | **38.07** |
| **Amortization** | | | | |
| As at 1 April, 2025 | 20.07 | 2.49 | 19.11 | 41.67 |
| Charge for the year | 2.81 | 0.02 | 0.55 | 3.38 |
| Disposals | 0.49 | - | 19.66 | 20.15 |
| **As at 31 March, 2026** | **22.39** | **2.51** | **-** | **24.90** |
| **Net block** | **13.17** | **0** | **-** | **13.17** |

*Refer note 24 for details related to research and development expenses.

P M S S & CO. M.No. 091301 CHARTERED ACCOUNTANTS

3 Property, plant and equipment, capital work-in-progress and intangible assets (Contd.....)

All amounts are in ₹ Crores, unless otherwise stated

a. Property, plant and equipment other than research and development

| Particulars | Freehold land | Leasehold land | Leasehold Improvements | Buildings | Right of use asset Buildings | Roads | Tubewell | Plant and machinery | Windmill | Solar | Laboratory equipments | Electricals | Vehicles | Furniture & fixtures | Office equipment | Computers | Paintings | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2024 | 143.14 | 26.11 | 4.05 | 708.96 | 28.85 | 17.96 | 1.48 | 1,657.88 | 42.14 | 357.08 | 3.24 | 159.80 | 37.79 | 39.33 | 22.34 | 75.06 | 0.19 | 3,325.40 |
| Additions | 1.71 | - | - | 22.06 | 96.08 | - | 0.07 | 60.53 | - | 128.67 | 0.09 | 7.73 | 7.67 | 9.38 | 2.29 | 18.24 | - | 354.52 |
| Disposals | 2.28 | - | - | - | - | - | - | 20.91 | - | - | 0.04 | 0.05 | 1.10 | 0.20 | 0.01 | 0.51 | - | 25.10 |
| **As at 31 March, 2025** | **142.57** | **26.11** | **4.05** | **731.02** | **124.93** | **17.96** | **1.55** | **1,697.50** | **42.14** | **485.75** | **3.29** | **167.48** | **44.36** | **48.51** | **24.62** | **92.79** | **0.19** | **3,654.82** |
| **Depreciation** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2024 | - | - | 3.25 | 401.59 | 16.04 | 11.69 | 0.63 | 1,285.59 | 38.62 | 176.43 | 2.27 | 117.00 | 23.05 | 34.63 | 18.86 | 69.41 | 0.05 | 2,199.11 |
| Leases Ind AS Impact | - | - | - | - | 9.16 | - | - | - | - | - | - | - | - | - | - | - | - | 9.16 |
| Charge for the year | - | - | 0.22 | 26.30 | 13.26 | 1.02 | 0.05 | 80.98 | 0.42 | 26.42 | 0.21 | 6.48 | 3.74 | 2.73 | 1.09 | 11.19 | 0.01 | 174.12 |
| Disposals | - | - | - | - | - | - | - | 18.03 | - | - | - | 0.01 | 0.26 | 0.03 | 0.01 | 0.05 | - | 18.39 |
| **As at 31 March, 2025** | **-** | **-** | **3.47** | **427.89** | **38.46** | **12.71** | **0.68** | **1,348.54** | **39.04** | **202.85** | **2.48** | **123.47** | **26.53** | **37.33** | **19.94** | **80.55** | **0.06** | **2,364.00** |
| **Net block** | **142.57** | **26.11** | **0.58** | **303.13** | **86.47** | **5.25** | **0.87** | **348.96** | **3.10** | **282.90** | **0.81** | **44.01** | **17.83** | **11.18** | **4.68** | **12.24** | **0.13** | **1,290.82** |

Research and development*

| Particulars | Plant and machinery | Buildings | Laboratory Equipment | Electricals | Furniture & fixtures | Office equipment | Computers | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| As at 1 April, 2024 | 17.93 | 0.04 | 5.07 | 0.30 | 0.18 | 0.02 | 2.55 | 26.09 |
| Additions | 0.66 | - | 0.16 | 0.05 | | 0.02 | 0.64 | 1.53 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 31 March, 2025** | **18.59** | **0.04** | **5.23** | **0.35** | **0.18** | **0.04** | **3.19** | **27.62** |
| **Depreciation** | | | | | | | | - |
| As at 1 April, 2024 | 13.71 | 0.02 | 2.87 | 0.29 | 0.15 | 0.01 | 2.20 | 19.25 |
| Charge for the year | 0.79 | 0 | 0.29 | 0.01 | 0.01 | 0.01 | 0.41 | 1.52 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 31 March, 2025** | **14.50** | **0.02** | **3.16** | **0.30** | **0.16** | **0.02** | **2.61** | **20.77** |
| **Net block** | **4.09** | **0.02** | **2.07** | **0.05** | **0.02** | **0.02** | **0.58** | **6.85** |

b. Capital work-in-progress ageing schedule for the year ended 31 March 2025 is as follows:

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| Particulars | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Projects in progress | 15.61 | - | - | - | 15.61 |
| **Total** | **15.61** | **-** | **-** | **-** | **15.61** |

c.

| | Intangible assets | | | |
|---|---|---|---|---|
| Particulars | Computer Software | Computer Software (Research)* | Brand | Total |
| **Gross Block** | | | | |
| As at 1 April, 2024 | 30.12 | 2.50 | 20.70 | 53.32 |
| Additions | 3.28 | 0.01 | - | 3.29 |
| Disposals | 0.00 | - | - | 0.00 |
| **As at 31 March, 2025** | **33.40** | **2.51** | **20.70** | **56.61** |
| **Amortization** | | | | |
| As at 1 April, 2024 | 18.23 | 2.43 | 18.26 | 38.92 |
| Charge for the year | 1.84 | 0.06 | 0.85 | 2.75 |
| Disposals | - | - | - | - |
| **As at 31 March, 2025** | **20.07** | **2.49** | **19.11** | **41.67** |
| **Net block** | **13.33** | **0.02** | **1.59** | **14.94** |

*Refer note 24 for details related to research and development expenses.

**All amounts are in ₹ Crores, unless otherwise stated**

## 4 Financial Assets - Non Current

### 4 (i) Investment - Non Current

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| **(a) Investments in equity & preference shares and debt instruments** | | |
| **Unquoted** | | |
| Mana Effluent Treatment Plant Limited<br>200 (Previous year 200) Equity Shares of Rs. 1,000 each fully paid up | 0.02 | 0.02 |
| Stallion Infratech LLP (erstwhile Stallion Infratech Private Limited)<br>13,764,168 (Previous year 13,764,168) Equity Shares of Rs. 10 each fully paid up | 13.76 | 13.76 |
| Plaeup Private Limited<br>19,171 (Previous year 19,171) Preference Shares of Rs. 1,043.20 each fully paid up | 2.00 | 2.00 |
| Plaeup Private Limited<br>75,000 (Previous year 75,000) Compulsory Convertible Debentures of Rs. 100 each fully paid up | 0.75 | 0.75 |
| Plaeup Private Limited<br>239,162 (Previous year 239,162) Equity Shares of Rs. 10 each fully paid up | 0.24 | 0.24 |
| OFB Tech Private Limited<br>352 (Previous year 352) Compulsory Convertible Preference Shares Shares of Rs. 666,693.93 each fully paid up | 23.47 | 23.47 |
| Avaada Indsolar Private Limited<br>2,100,000 (Previous year 2,100,000) Equity Shares of Rs. 10 each fully paid up | 2.10 | 2.10 |
| National Stock Exchange of India Limited<br>390,000 (Previous year 390,000) Equity Shares of Rs. 635.18 each fully paid up | 24.77 | 24.77 |
| Ambit Finvest Private Limited<br>246,840 (Previous year 246,840) Equity Shares of Rs. 1,012.77 each fully paid up | 25.00 | 25.00 |
| DXM, Inc.<br>1,440,000 equity shares (Previous year 1,440,000) of USD 0.0001 each | 0 | 0 |
| Convertible promissory note | 1.82 | 1.82 |
| **In equity & preference shares of associate companies** | | |
| Bhaane Retail Private Limited (erstwhile Camp India Private Limited)<br>556,443 (Previous year 556,443) Equity Shares of Rs. 10 each fully paid up | 0.56 | 0.56 |
| Bhaane Retail Private Limited (erstwhile Camp India Private Limited)<br>149,891,200 (Previous year 149,891,200) Preference Shares of Rs. 10 each fully paid up | 149.89 | 149.89 |
| **In equity & preference shares of subsidiary companies** | | |
| AHP Garments Private Limited<br>10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | 0.01 | 0.01 |
| AHP Apparel Private Limited<br>10,000 (Previous year 10,000) Equity Shares of Rs. 92.26 each fully paid up | 0.09 | 0.09 |
| HSA Apparel Private Limited<br>10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | 0.01 | 0.01 |
| HSS Textile Private Limited<br>10,000 (Previous year 10,000) Equity Shares of Rs 10 each fully paid up | 0.01 | 0.01 |
| PHA Apparel Private Limited<br>10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | 0.01 | 0.01 |
| Shahi Knits Private Limited<br>10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | 0.01 | 0.01 |
| Shahi Properties Limited<br>22,435,000 (Previous year 21,873,000) Compulsory Convertible Preference Shares of GBP 1 each fully paid up | 225.11 | 218.56 |
| Shahi Infra Limited<br>5,630,000 (Previous year 3,690,000) Compulsory Convertible Preference Shares of GBP 1 each fully paid up | 61.62 | 38.19 |
| Shahi Realty Limited (erstwhile SKA UN Limited)<br>23,045,000 (Previous year 22,565,000) Compulsory Convertible Preference Shares of GBP 1 each fully paid up | 244.62 | 238.85 |
| Avinya General Insurance Limited<br>2,350,000 (Previous year 2,350,000) Equity Shares of Rs. 10 each fully paid up | 2.35 | 2.35 |

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

**All amounts are in ₹ Crores, unless otherwise stated**

| | | |
|---|---|---|
| Sewtech Fashions Limited | 0.02 | 0.02 |
| 25,000 (Previous year 25,000) Equity Shares of Taka 10 each fully paid up | | |
| Shahi Realty Limited (erstwhile SKA UN Limited) | 0.01 | 0.01 |
| 1,000 (Previous year 1,000) Equity Shares of GBP 1 each fully paid up | | |
| Shahi Properties Limited | 0.01 | 0.01 |
| 1,000 (Previous year 1,000) Equity Shares of GBP 1 each fully paid up | | |
| Shahi Infra Limited | 0.01 | 0.01 |
| 1,000 (Previous year 1,000) Equity Shares of GBP 1 each fully paid up | | |
| **Total investment in equity & preference shares** | **778.27** | **742.52** |
| | | |
| **(b) Investments in bonds** | | |
| 32,735 Bonds of Rs. 1,000 each in Indian Railway Finance Corporation Ltd | 3.27 | 3.27 |
| 29,704 Bonds of Rs. 1,000 each in National Highways Authority of India | 2.97 | 2.97 |
| 17,030 Bonds of Rs. 1,000 each in Indian Renewable Energy Development Agency Ltd | 1.70 | 1.70 |
| 22,065 Bonds of Rs. 1,000 each in Housing & Urban Development Corporation Ltd | 2.21 | 2.21 |
| 15,030 Bonds of Rs. 1,000 each in National Bank For Agriculture And Rural Development | 1.50 | 1.50 |
| **Total investment in bonds** | **11.65** | **11.65** |
| | | |
| **Total Non Current Investments** | **789.92** | **754.17** |
| Aggregate amount of quoted investments | 11.65 | 11.65 |
| Aggregate amount of unquoted investments | 778.27 | 742.52 |

**4(ii) Loans - Non Current**
**(Unsecured, considered good unless otherwise stated)**

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Loans to related parties (Refer note 31) | 1,175.73 | 1,531.50 |
| Other loans | 89.33 | 109.28 |
| **Total loans - Non Current** | **1,265.06** | **1,640.78** |

**4(iii) Other financial assets - Non Current**
**(Unsecured, considered good unless otherwise stated)**

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| (i) Bank deposits with maturity more than 12 months | 0.33 | 0.10 |
| (ii) Security deposits rent | 34.80 | 35.12 |
| (iii) Security deposits others | 19.75 | 20.02 |
| **Total other financial assets - Non Current** | **54.88** | **55.24** |

**5 Deferred tax assets (net)**

The following is the analysis of the net deferred tax asset/(liability) position as presented in the financial statements:

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| **Deferred tax assets** | | |
| Related to gratuity, leave encashment, bonus and others | 116.34 | 89.38 |
| **Total deferred tax assets (A)** | **116.34** | **89.38** |
| | | |
| **Deferred tax liabilities** | | |
| Related to property, plant and equipment and others | 48.14 | 4.42 |
| Fair value gain on financial instruments at fair value through statement of profit or loss (net) | 62.16 | 20.63 |
| **Total deferred tax liabilities (B)** | **110.30** | **25.05** |
| | | |
| **Net deferred tax assets (A-B)** | **6.04** | **64.33** |

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

| 6 Other Non current assets (Unsecured, considered good unless otherwise stated) | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Capital advances | 3.64 | 3.26 |
| Advances other than capital advances: | | |
| -Prepaid expenses | 2.94 | 3.46 |
| -Balance with statutory/government authorities | 0.14 | 0.05 |
| **Total other non-current assets** | **6.72** | **6.77** |

| 7 Inventories | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Raw materials [including goods in transit Rs 136.55 Crores (previous year: Rs 146.93 Crores)] | 774.72 | 752.32 |
| Work-in-progress | 395.55 | 353.57 |
| Finished goods | 480.10 | 453.12 |
| Stores and spare parts | 10.11 | 8.25 |
| Paintings | 111.92 | 103.29 |
| **Total inventories** | **1,772.40** | **1,670.55** |

8 Financial Assets - Current

| 8(i) Current investments | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| **Investments in Mutual Funds (Quoted)** | | |
| Equity based funds | 1,425.00 | 769.89 |
| Debts based funds | 1,872.38 | 1,510.99 |
| **Investments in equity instruments (Quoted)** | | |
| Investments in equity shares | 264.36 | 72.10 |
| **Aggregate amount of quoted investments** | **3,561.74** | **2,352.98** |

| 8(ii) Trade receivables | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Unsecured, considered good | 2,639.71 | 2,364.10 |
| Unsecured, considered doubtful | 34.64 | 41.67 |
| Less: Allowance for doubtful trade receivables | (34.64) | (41.67) |
| **Total trade receivables** | **2,639.71** | **2,364.10** |

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

**8(ii) Trade receivables ageing schedule for the year ended as on 31 March 2026:** (contd....)

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Current but 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 | - | 2,639.61 | - | - | | - | 2,639.61 |
| (ii) Undisputed Trade Receivables - credit impaired | - | - | - | - | 34.64 | - | 34.64 |
| (iii) Disputed Trade Receivables - considered good | - | - | - | - | - | 0.10 | 0.10 |
| (iv) Disputed Trade Receivables- credit impaired | - | - | - | - | - | - | - |
| | **-** | **2,639.61** | **-** | **-** | **34.64** | **0.10** | **2,674.35** |

| | |
|---|---|
| Less: Allowance for credit loss | 34.64 |
| **Total trade receivables** | **2,639.71** |

**Trade receivables ageing schedule for the year ended as on 31 March 2025:**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Current but 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 | - | 2,364.00 | - | - | - | - | 2,364.00 |
| (ii) Undisputed Trade Receivables - credit impaired | - | - | - | 41.67 | - | - | 41.67 |
| (iii) Disputed Trade Receivables - considered good | - | - | - | - | - | 0.10 | 0.10 |
| (iv) Disputed Trade Receivables- credit impaired | - | - | - | - | - | - | - |
| | **-** | **2,364.00** | **-** | **41.67** | **-** | **0.10** | **2,405.77** |

| | |
|---|---|
| Less: Allowance for credit loss | 41.67 |
| **Total trade receivables** | **2,364.10** |

P M S S & CO CHARTERED ACCOUNTANTS M.No. 091831

All amounts are in ₹ Crores, unless otherwise stated

| 8(iii) Cash and cash equivalents | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Balances with Banks | | |
| - in current accounts | 266.38 | 658.31 |
| - in deposits (maturity less than 3 months) | 20.43 | 45.09 |
| Cash on hand | 0.47 | 0.41 |
| **Total cash and cash equivalents** | **287.28** | **703.81** |

| 8(iv) Bank balances other than (iii) above | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Deposits with maturity more than 3 months but less than 12 months | 5.68 | 8.73 |
| **Total Bank Balances other than (iii) above** | **5.68** | **8.73** |

| 8(v) Other financial assets (Unsecured, considered good unless otherwise stated) | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Subsidy receivable | 8.11 | 8.44 |
| Less: Provision for doubtful subsidy receivable | (2.36) | (2.36) |
| | 5.75 | 6.08 |
| Interest accrued on loans & deposits | 38.86 | 29.82 |
| **Total other financial assets** | **44.61** | **35.90** |

| 9 Current tax assets (net) | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Advance income tax [net of provision for tax: Rs 2,064.17 Crores (previous year: Rs 1,867.88 Crores) | 30.65 | 23.82 |
| **Total current tax assets** | **30.65** | **23.82** |

| 10 Other current assets (Unsecured, considered good unless otherwise stated) | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Advances other than capital advances: | | |
| -Advances to suppliers | 15.18 | 17.89 |
| -Prepaid expenses | 6.69 | 4.40 |
| -Other receivables | 39.81 | 68.74 |
| Balance with statutory/government authorities | 177.70 | 189.65 |
| Export incentives receivable | 18.06 | 22.56 |
| **Total other current assets** | **257.44** | **303.24** |

P M S S & Co. M.No. 091031 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

## 11 Share capital

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| **Authorised Share Capital** | | |
| 11,000,000 (Previous year 11,000,000) Voting Equity Shares (Class EQ) of ₹10 each | 11.00 | 11.00 |
| 4,500,000 (Previous year 4,500,000) Non-Voting Equity Shares (EQ Class B) of ₹10 each | 4.50 | 4.50 |
| **Preference Shares** | | |
| 265,000 (Previous year 265,000) 0.01% Preference Shares of Rs. 10 each | 0.27 | 0.27 |
| **Total authorised share capital** | **15.77** | **15.77** |
| | | |
| **Issued, subscribed and fully paid up Shares** | | |
| 10,217,126 (Previous year 10,217,126) Voting Equity Shares (Class EQ) of ₹10 each | 10.21 | 10.21 |
| 3,595,060 (Previous year 3,595,060) Non-Voting Equity Shares (EQ Class B) of ₹10 each | 3.60 | 3.60 |
| **Preference Shares** | | |
| Nil (Previous year 15,000) 0.01% Preference shares of ₹10 each fully paid up | - | 0.02 |
| **Total issued, subscribed and fully paid up Shares** | **13.81** | **13.83** |

### a) Reconciliation of shares outstanding at the beginning and at the end of the year:

| **Equity Shares** | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| At the beginning of the year | 1,38,12,186 | 1,38,12,186 |
| Issued during the year | - | - |
| Outstanding at the end of the year | **1,38,12,186** | **1,38,12,186** |
| | | |
| **Preference shares** | | |
| At the beginning of the year | 15,000 | 15,000 |
| Less: 0.01% 15,000 Preference shares redeemed during the year | (15,000) | |
| Outstanding at the end of the year | - | **15,000** |

### b) Terms and rights attached to equity and preference shares

Equity Shares: The Company has two class of equity shares Class EQ and EQ Class B having a par value of ₹10 each. Class EQ shareholder is eligible for one vote per share held and carry a right to dividend. EQ Class B equity shares rank pari passu in all respects with the Class EQ shares except to the voting rights.

Preference Shares: Every preference shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company.

### c) Details of shareholders holding more than 5% shares in the Company

| | Equity Shares | | | |
|---|---|---|---|---|
| **Name of Shareholder** | **31 March, 2026** | | **31 March, 2025** | |
| | **No. of Shares held** | **% of Holding** | **No. of Shares held** | **% of Holding** |
| Mr. Harish Ahuja | 34,20,709 | 24.77% | 34,20,709 | 24.77% |
| HPA Business Trust | 97,21,216 | 70.38% | 97,21,216 | 70.38% |

### d) Details of shares held by Promoters

**As at 31 March 2026:**

| Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % Change during the year |
|---|---|---|---|---|
| Mr. Harish Ahuja | 34,20,709 | - | 34,20,709 | - |
| HPA Business Trust | 97,21,216 | - | 97,21,216 | - |

**As at 31 March 2025:**

| Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % Change during the year |
|---|---|---|---|---|
| Mr. Harish Ahuja | 34,20,709 | - | 34,20,709 | - |
| HPA Business Trust | 97,21,216 | - | 97,21,216 | - |

P M S S & Co. M.No. 091331F CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

## 12 Other equity

| Securities premium, capital reserve and capital redemption reserve | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Securities premium | 135.08 | 135.08 |
| Change during the year | (51.21) | - |
| | 83.87 | 135.08 |
| Capital reserve | 4.96 | 4.96 |
| Capital Redemption Reserve | 0.02 | - |
| **Total securities premium, capital reserve and capital redemption reserve** | **88.85** | **140.04** |

| Retained earnings | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Opening balance | 6,936.46 | 5,863.81 |
| Net profit for the year | 1,004.15 | 1,076.76 |
| Leases Ind AS impact | - | (4.11) |
| Preference shares redeemed during the year | (0.02) | - |
| Dividend paid | (0) | (0) |
| **Closing balance** | **7,940.59** | **6,936.46** |

| Other comprehensive income / (loss) | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| **Gains/(loss) on forward exchange contracts (net)** | | |
| Opening balance | - | 29.57 |
| Change during the year | (266.67) | (29.57) |
| **Closing balance** | **(266.67)** | **-** |
| **Fair value gain/(loss) on equity instruments designated at FVOCI (net)** | | |
| Opening balance | - | - |
| Change during the year | 32.60 | - |
| **Closing balance** | **32.60** | **-** |

The Company has elected to recognise changes in the fair value of certain equity investments in Other Comprehensive Income. These changes are accumulated within the FVOCI reserve within equity.

| Total other equity | 7,795.37 | 7,076.50 |
|---|---|---|

P.M.S.S. & CO. M.No. 091331 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

## 13 Financial liabilities - Non Current

### 13(i) Borrowings - Non Current

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Term loans from Banks (Secured)* [Refer note 15(i)] | 233.32 | - |
| **Total Borrowings - Non Current** | **233.32** | **-** |

*Term loans from banks bear interest at floating rates and are secured by a pari passu charge over the movable fixed assets. The loans are repayable over five to seven years in accordance with the terms of the respective loan agreements.

### 13(ii) Lease liability

| | 31 March, 2026 | | |
|---|---|---|---|
| | Current | Non- Current | Total |
| Lease liability (Refer note 37) | 12.75 | 75.19 | 87.94 |
| **Total lease liability** | **12.75** | **75.19** | **87.94** |

| | 31 March, 2025 | | |
|---|---|---|---|
| | Current | Non- Current | Total |
| Lease liability (Refer note 37) | 11.11 | 87.94 | 99.05 |
| **Total lease liability** | **11.11** | **87.94** | **99.05** |

## 14 Provisions

| | 31 March, 2026 | | |
|---|---|---|---|
| | Current | Non- Current | Total |
| **Provision for employee benefits** | | | |
| -Provision for gratuity | - | 209.81 | 209.81 |
| -Provision for leave encashment | 10.06 | 72.33 | 82.39 |
| **Total provisions** | **10.06** | **282.14** | **292.20** |

**Provisions**

| | 31 March, 2025 | | |
|---|---|---|---|
| | Current | Non- Current | Total |
| **Provision for employee benefits** | | | |
| -Provision for gratuity | - | 228.00 | 228.00 |
| -Provision for leave encashment | 4.54 | 74.54 | 79.08 |
| **Others** | | | |
| Dividend | 0 | - | 0 |
| **Total provisions** | **4.54** | **302.54** | **307.08** |

All amounts are in ₹ Crores, unless otherwise stated

## 15 Financial Liabilities - Current

### 15(i) Borrowings

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| **Secured** | | |
| From banks - working capital loan (Refer note a below) | 1,825.44 | 1,855.21 |
| Current maturities of non-current borrowings [Refer note b below] | 25.70 | - |
| **Total borrowings** | **1,851.14** | **1,855.21** |

**Note:**

a) Working capital loans from banks are secured by a pari passu charge over the Company's current assets.

b) Term loans from banks bear interest at floating rates and are secured by a pari passu charge over the movable fixed assets. The loans are repayable over five to seven years in accordance with the terms of the respective loan agreements.

### 15(ii) Trade payables

| | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 29) | 6.59 | 4.35 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 971.73 | 1,302.66 |
| **Total trade payables** | **978.32** | **1,307.01** |

**Trade payables ageing schedule for the year ended as on 31 March 2026:**

| Outstanding for following periods from due date of payment | (i) Outstanding dues to MSME | (ii) Others | Total trade payables |
|---|---|---|---|
| Unbilled | - | 69.49 | 69.49 |
| Not due | - | - | - |
| Less than 1 year | 6.59 | 897.32 | 903.91 |
| 1-2 Years | - | 2.69 | 2.69 |
| 2-3 Years | - | 1.82 | 1.82 |
| More than 3 Years | - | 0.41 | 0.41 |
| **Total** | **6.59** | **971.73** | **978.32** |

**Trade payables ageing schedule for the year ended as on 31 March 2025:**

| Outstanding for following periods from due date of payment | (i) Outstanding dues to MSME | (ii) Others | Total trade payables |
|---|---|---|---|
| Unbilled | - | 25.64 | 25.64 |
| Not due | - | - | - |
| Less than 1 year | 4.35 | 1,271.20 | 1,275.55 |
| 1-2 Years | - | 4.35 | 4.35 |
| 2-3 Years | - | 1.19 | 1.19 |
| More than 3 Years | - | 0.28 | 0.28 |
| **Total** | **4.35** | **1,302.66** | **1,307.01** |

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All amounts are in ₹ Crores, unless otherwise stated

| 15(iii) Other financial liabilities | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Interest accrued but not due on borrowings | 3.22 | 0.99 |
| Loans from related parties (Refer note 31) | 13.53 | 116.17 |
| Capital creditors | 28.67 | 12.77 |
| Book overdrafts | 128.51 | 63.14 |
| Retention money | 8.76 | 13.41 |
| Employee related payables | 365.12 | 349.05 |
| Derivative reserve on foreign exchange forward contracts | 266.67 | - |
| **Total other financial liabilities** | **814.48** | **555.53** |

| 16(i) Other non-current liabilities | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Deferred revenue arising from government grants | 26.20 | 30.87 |
| **Total other non-current liabilities** | **26.20** | **30.87** |

| 16(ii) Other current liabilities | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Deferred revenue arising from government grants | 4.67 | 5.59 |
| Advances from customers | 4.51 | 4.34 |
| Statutory dues | 61.67 | 56.01 |
| Other payables | 1.09 | 1.62 |
| **Total other current liabilities** | **71.94** | **67.56** |



All amounts are in ₹ Crores, unless otherwise stated

| 17 Revenue from operations | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| a) Sale of finished goods | | |
| Exports | 8,686.33 | 8,038.58 |
| Domestic | 1,262.52 | 1,239.43 |
| b) Other operating revenue | | |
| Job work income | 39.06 | 28.98 |
| Export incentives | 577.55 | 629.53 |
| Scrap sale and others | 62.47 | 50.89 |
| **Total revenue from operations** | **10,627.93** | **9,987.41** |

| 18 Other income | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| Interest income from deposits with banks and others | 181.58 | 161.29 |
| Income: mutual fund | 1.98 | 17.97 |
| Income: dividend | 6.30 | 1.85 |
| Profit on sale/discard of property, plant & equipment | 1.95 | 21.67 |
| Net gain on sale of shares | - | 59.70 |
| Foreign exchange gain (net) | 289.40 | 130.04 |
| Income on Financial Investments at fair value through profit and loss | 171.10 | - |
| Corporate Guarantee Income | 7.00 | 11.23 |
| Interest income from financial assets at amortized cost | 1.47 | 1.23 |
| Income related to subsidy on property, plant and equipment | 5.59 | 6.71 |
| Miscellaneous income | 8.13 | 6.35 |
| **Total other income** | **674.50** | **418.04** |

| 19 Cost of raw materials consumed | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| Inventory at the beginning of the year | 613.64 | 621.13 |
| Add: Purchases | 3,863.57 | 3,548.08 |
| Less: Inventory at the end of the year | 648.28 | 613.64 |
| **Total Cost of Raw materials consumed** | **3,828.93** | **3,555.57** |

**Total cost of raw materials consumed**

| 20 Purchase of stock-in-trade | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| Purchases (finished goods) | **1,192.04** | **1,178.31** |

| 21 Changes in inventories of finished goods and work-in-progress | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| **Inventory at the beginning of the year** | | |
| Work-in-progress | 353.57 | 288.10 |
| Finished goods | 453.12 | 337.50 |
| | **806.69** | **625.60** |
| **Inventory at the end of the year** | | |
| Work-in-progress | 395.55 | 353.57 |
| Finished goods | 480.10 | 453.12 |
| | **875.65** | **806.69** |
| **Total changes in inventories of finished goods, work-in-progress** | **(68.96)** | **(181.09)** |

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

| 22 Employee benefits expense | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| Salaries and wages | 2,432.38 | 2,226.59 |
| Contribution to provident and other funds | 233.53 | 223.59 |
| Staff welfare expenses | 49.27 | 45.43 |
| **Total employee benefits expense** | **2,715.18** | **2,495.61** |

| 23 Research and development expenses* | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| Material consumption | 37.64 | 34.62 |
| Employee benefits expense | 34.78 | 31.18 |
| Other expenses | 0.92 | 0.91 |
| Depreciation and amortization expense (Refer note 3) | 0.97 | 1.57 |
| **Total research & development expenses** | **74.31** | **68.28** |

*Capital expenditure related to research and development: Rs 3.35 Crores (previous year: Rs 1.54 Crores). Refer note 3.

| 24 Finance costs | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|
| Interest on borrowings | 131.44 | 87.70 |
| Interest on lease liabilities | 7.51 | 7.96 |
| Bank and finance charges | 8.63 | 8.29 |
| **Total finance costs** | **147.58** | **103.95** |

| 25 Other expenses | | For the year ended 31 March, 2026 | For the year ended 31 March, 2025 |
|---|---|---|---|
| Consumption of stores and spare parts | | 288.76 | 271.37 |
| Power and fuel | | 240.95 | 251.29 |
| Rent | | 80.54 | 45.78 |
| Repair and maintenance : | | | |
| Building | | 31.82 | 26.98 |
| Plant and machinery | | 41.38 | 35.23 |
| Others | | 54.03 | 49.88 |
| Insurance | | 16.32 | 17.17 |
| Rates and taxes | | 17.34 | 10.87 |
| Processing charges | | 628.83 | 450.26 |
| Advertisement, publicity and business promotion | | 3.56 | 3.54 |
| Freight & forwarding charges | | 298.02 | 231.20 |
| Communication expenses | | 18.03 | 13.50 |
| Travelling and conveyance | | 48.83 | 40.56 |
| Legal and professional charges (Refer note 28) | | 91.53 | 75.30 |
| Facility management expenses | | 44.80 | 42.43 |
| Bad debts written off | 8.44 | | |
| Less: charged off against allowances | 7.03 | 1.41 | 1.73 |
| Allowances for trade receivables | | | 41.67 |
| Charity and donations | | 10.17 | 28.75 |
| Net loss on sale of shares | | 2.25 | - |
| Corporate social responsibility expenditure (Refer note 38) | | 28.47 | 22.26 |
| Loss on Financial Investments at fair value through profit and loss | | | 21.69 |
| Sundry expenses | | 18.78 | 17.03 |
| **Total other expenses** | | **1,965.82** | **1,698.49** |

P.M.S.S. & CO. M.No. 091301 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

| 26 | Contingent liabilities | 31 March, 2026 | 31 March, 2025 |
|---|---|---|---|
| i) | Bank guarantees | 5.54 | 5.38 |
| ii) | Outstanding corporate guarantees | 724.38 | 594.00 |
| iii) | Outstanding letters of credit | 63.66 | 50.96 |
| iv) | Claims against the Company not acknowledged as debts (Refer note a below) | | |
| | -Income tax | 35.53 | 35.53 |
| | -Sales tax, Goods and Service Tax | 11.60 | 0.05 |
| | -Others | 9.28 | 7.19 |
| | | **849.99** | **693.11** |

Note a) The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums.

Note b) The Company has provided a letter of comfort to a Bank providing credit facility to the group entity, Sarla Garments LLP. The said facility has been utilized to the extent of Rs 118.83 Crores (previous year: Rs Nil). The Company has assessed that the probability of outflow of economic resources is very remote.

| 27 | Capital and other commitments | 31 March, 2026 | 31 March, 2025 |
|---|---|---|---|
| | Estimated amount of contracts remaining to be executed on capital account and not provided for (net off advances) | 45.84 | 25.45 |

**28 Auditor's remuneration (exclusive of GST)**

| Particulars | 31 March, 2026 | 31 March, 2025 |
|---|---|---|
| Audit fees included in legal & professional charges (Refer note 25) | 0.03 | 0.03 |
| **Total** | **0.03** | **0.03** |

**29 Trade payables to Micro and Small Enterprises**

There are no overdue amount outstanding on Micro Enterprises & Small Enterprises as on 31 March 2025 and 31 March 2026. There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

**30 Segment information**

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment.

**a. Information about the primary segments:**

| | Readymade Garments and Made up | Energy | Total |
|---|---|---|---|
| **Revenue :** | | | |
| External | 10,494.45 | 133.48 | 10,627.93 |
| | (9,937.57) | (49.84) | (9,987.41) |
| **Total revenue** | **10,494.45** | **133.48** | **10,627.93** |
| | (9,937.57) | (49.84) | (9,987.41) |
| **Result** | **1,160.26** | **59.31** | **1,219.57** |
| | (1,162.49) | (10.18) | (1,172.67) |
| Interest expenses | 139.12 | 8.46 | 147.58 |
| | (103.95) | - | (103.95) |
| Income from investments | 187.61 | - | 187.61 |
| | (240.80) | - | (240.80) |

All amounts are in ₹ Crores, unless otherwise stated

| | Readymade Garments and Made up | Energy | Total |
|---|---|---|---|
| **Profit before tax** | **1,208.75** | **50.85** | **1,259.60** |
| | (1,299.34) | (10.18) | (1,309.52) |
| Provision for taxation | 239.90 | 15.55 | 255.45 |
| | (225.32) | (7.44) | (232.76) |
| **Profit after tax** | **968.85** | **35.30** | **1,004.15** |
| | (1,074.02) | (2.74) | (1,076.76) |
| Other comprehensive income | (234.07) | - | (234.07) |
| | (29.57) | - | (29.57) |
| **Total comprehensive income for the year** | **734.78** | **35.30** | **770.08** |
| | (1,044.45) | (2.74) | (1,047.19) |

**Other Information**

| | Readymade Garments and Made up | Energy | Unallocated | Total |
|---|---|---|---|---|
| Segment Assets | 11,821.08 | 343.64 | - | 12,164.72 |
| | (10,941.17) | (371.47) | - | (11,312.64) |
| Segment Liabilities | 4,238.06 | 117.48 | - | 4,355.54 |
| | (4,216.38) | (5.93) | - | (4,222.31) |
| Capital Expenditure | 262.92 | 0.20 | - | 263.12 |
| | (349.00) | (10.34) | - | (359.34) |
| Depreciation | 155.95 | 32.95 | - | 188.90 |
| | (150.90) | (27.49) | - | (178.39) |

b. **Secondary Segment (by Geographical Area based on location of Customers):**

| Particulars | Revenue by geographical market | Carrying amount of the segment assets | Additions to tangible and intangible fixed assets |
|---|---|---|---|
| International | 8,686.33 | 9,661.51 | 215.05 |
| | (8,038.58) | (8,806.23) | (289.22) |
| Domestic | 1,941.60 | 2,503.21 | 48.07 |
| | (1,948.83) | (2,506.41) | (70.12) |
| | | | |
| **Total** | **10,627.93** | **12,164.72** | **263.12** |
| | (9,987.41) | (11,312.64) | (359.34) |

Figures in brackets relates to previous year.

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

## 31 Related party disclosure

### A. List of Related Parties

**i) a) Entities in which the Key Management Personnel and their relatives exercised significant influence**

A P Properties Private Limited
AAA Real Estate Private Ltd.
AAHP Consultants LLP
AAPH CONSULTANTS LLP
AHP Infrastructure LLP
AHP Properties Private Ltd.
AMA Real Estate Private Ltd.
AMA Softech P Ltd
APH Garments (P) Ltd.
Bellevista Entertainment And Health Private Limited
Boxout.FM Private Limited
Bhaane Studio Limited (erstwhile Camp In Limited)
Dwarka Das & Sons Chit Funds Private Ltd.
Express Distributors Private Ltd.
Friends Chemicals . P Ltd.
MSH Properties Private Limited
Garmex India Private Ltd.
H.A. Garments LLP
H.A. Infrastructure Private Ltd.
H.A. Town & Country Planners LLP
H.A.Developers Private Ltd.
H.A.Solution (India) Private Ltd.
H.S.A Engineers & Contractors Private Ltd
HA & SA Developers Private Ltd.
HA Educational Academy Private Ltd
HA Fashions Private Ltd.
HA Realtors LLP
HA Softech Private Ltd.
HAP Properties Private Ltd.
HAP Realtors Private Ltd.
HPA Apparel Private Ltd
HPA Garment Private Ltd
HPAA Realtech LLP
HSA Builders LLP
H.A. Investments Private Limited
SMF Builders Private Limited
AP Apparel Private Limited
PHA Textiles Private Limited
Shahi Blue Jeans Pvt Ltd
Lakshmi Sadan Estate Holdings Ltd (wholly owned subsidiary of Shahi Properties Limited)
HA Property Solutions Private Limited (formerly known as Vijal Holding and Trading Private Limited)
HSA Infrastructure LLP
Imperial Estates Private Ltd.
K.M.Properties & Investment Private Ltd.
M F Builders Private Ltd.
M.F Garment Private Limited
M.F.Properties Private Ltd.
P.H.Estates Private Ltd.
PHA Properties LLP
PHAA Realtech LLP
Radiant Properties Private Ltd.
S E H Infrastructure Private Ltd
S EH Apparel (India) Private Ltd.
S EH Relators LLP
S R (India) Export Private Ltd.
S.M.Landbase Private Ltd
SA Developers Private Ltd.
SA Educational Systems Private Ltd
Sarla Hosiery & Apparel P ltd
SEH Hotels & Resorts LLP
SEH Investments Private Ltd.
SFG Construction Private Ltd
SFG Developers Private Ltd.
Shahi Mills Private Ltd.
Shahi Sterling Exports Private limited
Shahi Textiles Private Ltd.
Shanra (India) Private Ltd.
SHP Apparel Private ltd
SMA City Developers Private Ltd.
SMA Fashion Private Ltd.
SMA Properties Private Ltd.
SSH Garments (P) Ltd.
Yugal Chit Fund & Trad. Co. Private Ltd.
Solution Software (India) Private Limited
SMA Infrastructure Private Limited
Shahi Designs Private Limited
Shahi Outdoor Private Limited
Shahi Denim Private Limited
Shahi Cross-Hatch Pvt Ltd
Shahi Designtech Pvt Ltd
Homecourt India Private Limited [erstwhile PHA Garments Private Limited]

**i) b) Entities in which the Key Management Personnel and their relatives exercised significant and with whom transactions have taken place during the year.**

Delhi Brass and Metal Works Private Limited
HAP Apparel Private Limited
Safepack Lamination & Liners Private Limited
Rais Marketing Private Limited
Garmex (Ind) Apparel LLP
AHS Fashions Clothing Private Limited
HSS Apparel Private Ltd.
SMF Infrastructure Pvt Ltd
Mode Prints Private Limited
Sarla Garments LLP (wef 02 April 2024)
SMA Foods & Beverages Private Limited
Bhaane Retail Private Limited (erstwhile Camp India Private Limited)
P.A. Real Estate Private Limited
Shahi Garments Private Limited
Arvesta Financial Services Private Limited (erstwhile Neo Investment and Finserv Services Private Limited)
Apparel Export Promotion Council
SFG Exports (India) Private Limited
HSS Real Estate Private Limited
SAP Estates Private Limited
Atlast Sportwear Inc.
Bhaane Studio Private Limited (erstwhile Camp SMA Private Limited)
Oriental South Delhi Hotels Private Limited
Shahi Fabrics Pvt. Ltd.
Shahi Apparel Private Limited
Good Business Lab Foundation
Creativity Apparel Inc.
Sewtech Fashions Limited (subsidiary of PHA Apparel Private Limited)
Apparel Made-ups and Home Furnishing Sector Skill Council
HPAA Good Deed Foundation
Shahi Creations Private Limited
ShaLit Private Limited (wholly owned subsidiary of Shahi Knits Private Limited)

**ii) Key management personnel & their Relatives**

Mr. Harish Ahuja, Director
Ms. Sarla Ahuja (Mother of Mr. Harish Ahuja)
Ms. Priya Ahuja (Wife of Mr. Harish Ahuja)
Mr. Anand Ahuja (Son of Mr. Harish Ahuja)
Mr. Anant Ahuja (Son of Mr. Harish Ahuja), Director (wef 19 July 2024)
Mr. Jalandhar Dattubuwa Giri, Director
Mr.Vinod Kumar Bhardwaj, Director
Mr. Ramanujam Venkat Raghavan, Director
Mr. Anbazhagan Theerthagiri, Director
Mr. Deepak Puttireddy (wef 30 January 2026)
Mr. Srikanth Narisetty (wef 13 February 2026)
Mr. Buttianda Kishen Cariappa (wef 13 February 2026)
Mr. Palghat Balakrishnan Anandapadmanabhan
Mr. Alagappan Rajendran
Mr. Thaiyalbagam Ramalingam
Mr. Rakesh Kumar, Company Secretary
Mr. Balakrishna Shetty, Director (upto 13 February 2026)
Mr. T Venkataramanan, Director (upto 30 September 2025)

**iii) Wholly owned subsidiaries**

AHP Garments Private Limited
AHP Apparel Private Limited
HSS Textile Private Limited
HSA Apparel Private Limited
PHA Apparel Private Limited
Shahi Knits Private Limited
Avinya General Insurance Limited (wef 17 December 2024)
Shahi Properties Limited
Shahi Realty Limited (erstwhile SKA UN Limited upto 08 April 2026)
Shahi Infra Limited

***Trust***

i) Shahi Exports Gratuity Trust
ii) HPA Business Trust

All amounts are in ₹ Crores, unless otherwise stated

**B. Details of transactions with related parties :**

**For the year ended 31 March, 2026:**

| Particulars | Key Managerial Personnel & Their Relatives | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Sale of goods | - | 517.03 | 517.03 |
| Sales of licence | - | 11.93 | 11.93 |
| Sales of fixed assets | - | 0.07 | 0.07 |
| Corporate guarantee commission | | 7.00 | 7.00 |
| Interest income | - | 19.90 | 19.90 |
| Rental income | - | 2.33 | 2.33 |
| | | | |
| Purchases including goods in transit | - | 1,127.49 | 1,127.49 |
| Job work | - | 494.44 | 494.44 |
| Purchase of Fixed Assets | - | 0.49 | 0.49 |
| Rendering of manpower services, professional service and other expenses | - | 23.23 | 23.23 |
| Commission paid | - | 9.53 | 9.53 |
| Rent paid | - | 2.41 | 2.41 |
| | | | |
| Loan given by Company | - | 1,548.15 | 1,548.15 |
| Loan given repaid | - | 1,903.93 | 1,903.93 |
| | | | |
| Loan taken by Company | 40.39 | - | 40.39 |
| Loan taken repaid | 143.03 | - | 143.03 |
| | | | |
| Dividend | - | 0 | 0 |
| Donation given | - | 7.45 | 7.45 |
| Investment in preference shares | - | 35.75 | 35.75 |
| Security deposit given repaid | - | 0.04 | 0.04 |
| Investment in equity shares | - | - | - |
| Professional Fees | 0.17 | - | 0.17 |
| Key managerial & their relatives remuneration* | 155.34 | - | 155.34 |
| Contribution to gratuity trust | - | 30.00 | 30.00 |
| | | | |
| ***Total*** | **338.93** | **5,741.17** | **6,080.10** |

**For the year ended 31 March, 2025:**

| Particulars | Key Managerial Personnel & Their Relatives | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Sale of goods | - | 673.92 | 673.92 |
| Sales of licence | - | 5.96 | 5.96 |
| Sales of fixed assets | - | 21.45 | 21.45 |
| Corporate guarantee commission | - | 11.23 | 11.23 |
| Interest income | - | 12.00 | 12.00 |
| Rental income | - | 2.71 | 2.71 |
| | | | |
| Purchases including goods in transit | - | 1,133.71 | 1,133.71 |
| Job work | - | 245.49 | 245.49 |
| Commission paid | - | 11.55 | 11.55 |
| Rent paid | - | 2.82 | 2.82 |
| | | | |
| Loan given by Company | - | 1,365.83 | 1,365.83 |
| Loan given repaid | - | 978.27 | 978.27 |
| | | | |
| Loan taken by Company | 168.53 | - | 168.53 |
| Loan taken repaid | 213.24 | - | 213.24 |
| | | | |
| Dividend | - | 0 | 0 |
| Donation given | - | 7.44 | 7.44 |
| Investment in preference shares | - | 261.04 | 261.04 |
| Investment in equity shares | - | 0.01 | 0.01 |
| Professional Fees | 0.17 | - | 0.17 |
| Key managerial & their relatives remuneration* | 151.43 | - | 151.43 |
| Contribution to gratuity trust | - | 0.10 | 0.10 |
| | | | |
| ***Total*** | **533.37** | **4,733.53** | **5,266.90** |

*As the liability for gratuity and leave encashment is provided for the Company as a whole, the gratuity and leave encashment amount pertaining to the key management personnel is not disclosed separately.

P.M.S.S. & CO. CHARTERED ACCOUNTANTS M.No. 091331

All amounts are in ₹ Crores, unless otherwise stated

C. Outstanding balances :

As on 31 March, 2026:

| Particulars | Key Managerial Personnel | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Loan given by Company | - | 1,175.73 | 1,175.73 |
| Loan taken by Company | 13.53 | - | 13.53 |
| Professional Fees | 0.01 | - | 0.01 |
| KMP remuneration payable | 2.74 | - | 2.74 |
| | | | |
| Trade receivables | - | 106.16 | 106.16 |
| Trade payables | - | 350.30 | 350.30 |
| | | | |
| Interest recievable | - | 5.94 | 5.94 |
| Corporate guarantee outstanding | - | 724.38 | 724.38 |
| | | | |
| **Total** | **16.28** | **2,362.51** | **2,378.79** |

As on 31 March, 2025:

| Particulars | Key Managerial Personnel | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Loan given by Company | - | 1,531.50 | 1,531.50 |
| Loan taken by Company | 116.17 | - | 116.17 |
| Security deposit given by Company | - | 0.04 | 0.04 |
| Professional Fees | 0.01 | - | 0.01 |
| KMP remuneration payable | 2.69 | - | 2.69 |
| | | | |
| Trade receivables | - | 161.87 | 161.87 |
| Trade payables | - | 709.07 | 709.07 |
| | | | |
| Interest recievable | - | 3.62 | 3.62 |
| Dividend payable | - | 0 | 0 |
| Corporate guarantee outstanding | - | 594.00 | 594.00 |
| | | | |
| **Total** | **118.87** | **3,000.10** | **3,118.97** |

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

## 32 Fair value measurements

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

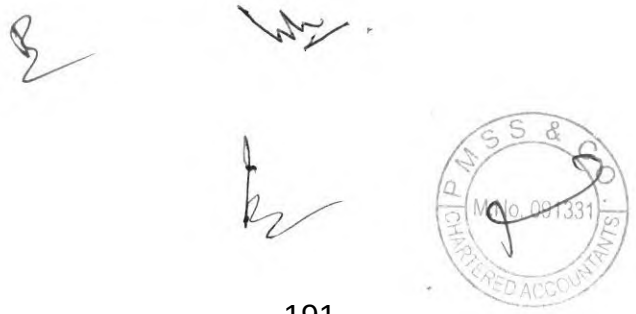
### (a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at 31 March, 2025 and 31 March, 2026.

| | 31 March 2026 | | | 31 March 2025 | | |
|---|---|---|---|---|---|---|
| | Fair value through Profit & Loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortized Cost | Fair value through Profit & Loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortized Cost |
| **Financial assets** | | | | | | |
| (i) Investments (other than investments in subsidiaries) | 2,996.31 | 565.43 | 256.03 | 2,352.98 | - | 256.03 |
| (ii) Loans | - | - | 1,265.06 | - | - | 1,640.78 |
| (iii) Trade receivables | - | - | 2,639.71 | - | - | 2,364.10 |
| (iv) Cash and cash equivalents including other bank balances | - | - | 293.29 | - | - | 712.64 |
| (v) Security deposits | - | - | 54.55 | - | - | 55.14 |
| (vi) Other financial assets | - | - | 44.61 | - | - | 35.90 |
| **Total Financial assets** | **2,996.31** | **565.43** | **4,553.25** | **2,352.98** | **-** | **5,064.59** |
| **Financial liabilities** | | | | | | |
| (i) Borrowings | - | - | 2,084.46 | - | - | 1,855.21 |
| (ii) Lease liability | - | - | 87.94 | - | - | 99.05 |
| (iii) Trade payables | - | - | 978.32 | - | - | 1,307.01 |
| (iv) Foreign Exchange Forward Contracts | - | 266.67 | - | - | - | - |
| (v) Other financial liabilities | - | - | 547.81 | - | - | 555.53 |
| **Total Financial liabilities** | **-** | **266.67** | **3,698.53** | **-** | **-** | **3,816.80** |

**Financial instruments at amortized cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.



All amounts are in ₹ Crores, unless otherwise stated

**(b) Fair value hierarchy**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices.

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs).

| Financial assets and liabilities measured at fair value - recurring fair value measurements At 31 March 2026 | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| *Financial Investments at FVTPL* | | | | | |
| Investments in equity instruments | 8(i) | 2,996.31 | - | - | 2,996.31 |
| *Financial Investments at FVOCI* | | | | | |
| Investments in equity instruments | 8(i) | 565.43 | - | - | 565.43 |
| **Total financial assets** | | **3,561.74** | **-** | **-** | **3,561.74** |
| **Financial liabilities** | | | | | |
| *Financial Investments at FVOCI* | | | | | |
| Foreign exchange forward contracts | 15(iii) | - | 266.67 | - | 266.67 |
| **Total financial liabilities** | | **-** | **266.67** | **-** | **266.67** |

| Financial assets and liabilities measured at fair value - recurring fair value measurements At 31 March 2025 | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| *Financial Investments at FVTPL* | | | | | |
| Investments in equity instruments | 8(i) | 2,352.98 | - | - | 2,352.98 |
| **Total financial assets** | | **2,352.98** | **-** | **-** | **2,352.98** |
| **Financial liabilities** | | | | | |
| *Financial Investments at FVOCI* | | | | | |
| Foreign exchange forward contracts | 15(iii) | - | - | - | - |
| **Total financial liabilities** | | **-** | **-** | **-** | **-** |

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
(ii) Foreign exchange forward contracts are fair valued using market observable rates and published prices where applicable.
(iii) Management uses its best judgement in estimating the fair value of its financial instruments.

P M S & Co. Firm No. 001331 CHARTERED ACCOUNTANTS

All amounts are in ₹ Crores, unless otherwise stated

33 The following are analytical ratios for the year ended 31 March 2025 and 31 March 2026 :

| Particulars | Numerator | Denominator | 31 March 26 | 31 March 25 | Variance | Remarks |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liabilities | 2.30 | 1.96 | 0.17 | |
| Debt – Equity Ratio | Total Debt | Total Equity | 0.27 | 0.26 | 0.03 | |
| Debt Service Coverage Ratio | Net Profit after taxes+Interest+ Depreciation & amortisation +loss on sale of fixed assets | Interest & Lease Payments + Principal Repayments | 8.63 | 13.89 | (5.27) | Decrease is primarily on account of increase in interest expense and principal repayments. |
| Return on Equity (ROE) | Profit after tax-Preferance Dividend | Average Shareholder's Equity | 0.13 | 0.16 | (0.18) | |
| Inventory turnover ratio | Cost of Goods Sold | Average Inventory | 2.88 | 2.91 | (0.01) | |
| Trade receivables turnover ratio | Revenue from operations | Average Trade Receivable | 4.25 | 4.35 | (0.02) | |
| Trade payables turnover ratio | Net credit purchases | Average Trade Payables | 6.11 | 5.67 | 0.08 | |
| Net capital turnover ratio | Revenue from operations | Working Capital | 2.19 | 2.73 | (0.20) | |
| Net profit ratio | Profit after tax | Revenue from operations | 0.09 | 0.11 | (0.12) | |
| Return on capital employed (ROCE) | Earning before interest and tax | Capital Employed | 0.14 | 0.16 | (0.09) | |
| Return on Investment(ROI) | Finance Income | Investment | 0.05 | 0.08 | (0.31) | Decrease is primarily on account of increase in investments during the year. |

All amounts are in ₹ Crores, unless otherwise stated

## 34 Financial risk management objectives and policies

The Company's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans, investments, cash & cash equivalents and other financial assets, which arise directly from its operations. The Company enters into derivative transactions by way of forward exchange contracts to hedge its receivables. The Board of Directors reviews the financial position and financial performance on periodic basis. The evaluation of various types of risks applicable to Company have been explained below:

### (i) Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes.

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has availed term loans under Technology Upgradation Fund (TUF) scheme bearing fixed interest rate. Further, Company has also availed various working capital loans bearing floating interest rate. The risk of change in interest rate is moderate and will not have much impact on the profit before tax.

| Particulars | Increase/(decrease) in basis points | Effect on profit before tax |
|---|---|---|
| 31 March, 2026 | 50 | 7.73 |
| 31 March, 2025 | 50 | 5.16 |

- **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company manages its foreign currency risk through entering into forward exchange contracts. Therefore, risk on account of change in foreign exchange rates is low.

### (ii) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The loans given by the Company majorly constitutes of loans to wholly owned subsidiary and there is no risk regarding its recoverability.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### (iii) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and securities, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following table shows a maturity analysis of the anticipated cash flows for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

| Particulars | 0-1 year | > 1 year | Total |
|---|---|---|---|
| **31, March 2026** | | | |
| Borrowings | 1,851.14 | 233.32 | 2,084.46 |
| Trade payables | 978.32 | - | 978.32 |
| Lease liability | 12.75 | 75.19 | 87.94 |
| Other financial liabilities | 814.48 | - | 814.48 |
| | **3,656.69** | **308.51** | **3,965.20** |

**All amounts are in ₹ Crores, unless otherwise stated**

| Particulars | 0-1 year | > 1 year | Total |
|---|---|---|---|
| **31, March 2025** | | | |
| Borrowings | 1,855.21 | - | 1,855.21 |
| Trade payables | 1,307.01 | - | 1,307.01 |
| Lease liability | 11.11 | 87.94 | 99.05 |
| Other financial liabilities | 555.53 | - | 555.53 |
| | **3,728.86** | **87.94** | **3,816.80** |

**(iv) Equity Price risk**

Equity Price Risk is related to the change in fair value of the investments in equity securities. Company's investments in equity securities are subject to changes in fair value of investments. The carrying value of investments represents the maximum equity risk.

**35 Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and long term and short term bank borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings.

| Credit risk | 31 March 2026 | 31 March 2025 |
|---|---|---|
| Trade receivables | 2,639.71 | 2,364.10 |
| Balances with bank, bank deposits | 293.29 | 712.64 |
| Investments other than investments in subsidiaries | 3,817.77 | 2,609.01 |
| Other financial assets | 99.16 | 91.04 |
| Loans | 1,265.06 | 1,640.78 |
| **Total** | **8,114.99** | **7,417.57** |

**36** Long term incentive plan was introduced for eligible senior management employees in financial year 2019-20, which provided them option of periodical incentive payment, when due to them, based on the satisfaction of performance criteria. All the eligible employees opted for the same as per the plan during the financial year 2025-26.

**37 Leases**

**Company as lessee**

The Company has adopted Ind AS 116 "Leases" and applied the standard to lease contracts by recognizing a lease liability at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate and recognizing a right-of-use asset at an amount equal to the lease liability.

The nature of expenses in respect of operating leases has changed from lease rent to depreciation and amortisation on right of use asset and finance cost for interest accrued on lease liability. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases (including low-value lease assets) was Rs. 80.54 Crores (previous year: Rs 45.78 Crores).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

**38** The Company has spent Rs 28.47 Crores (previous year: Rs 22.26 Crores) towards Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013 (Refer note 25).

P M S S & CO CHARTERED ACCOUNTANTS M.No. 091331

**All amounts are in ₹ Crores, unless otherwise stated**

**39** During the financial year 2023–24, a fire occurred at the Company's Ghaziabad processing mill resulting in assessed damage of inventory to the extent of Rs 24.12 Crores net of salvage value. Against the said loss, Company received an insurance claim settlement of Rs 14.69 Crores during the financial year 2024–25. The balance claim amount remains under consideration, and the Company continues to pursue recovery thereof.

**40** Previous year figures have been reclassified to conform to current year's classification.

As per our report of even date
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
Place: Faridabad
Date: 25 September 2026

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

| **J.D. Giri** | **Vinod K. Bhardwaj** |
|---|---|
| (Director) | (Director) |
| DIN: 00047490 | DIN: 00057037 |

**Rakesh Kumar**
(Company Secretary)
ACS: 21913

Annexure I

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**PROVISIONAL & UNAUDITED STANDALONE BALANCE SHEET AS AT 30 JUNE, 2026**

**All amounts are in ₹ Crores, unless otherwise stated**

| | Notes | As at 30 June, 2026 | As at 31 March, 2026 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 1,379.70 | 1,368.94 |
| Capital work-in-progress | 3 | 37.81 | 60.48 |
| Intangible assets | 3 | 12.47 | 13.17 |
| Financial assets | 4 | | |
| (i) Investments | 4(i) | 778.04 | 789.92 |
| (ii) Loans | 4(ii) | 1,237.20 | 1,265.06 |
| (iii) Other financial assets | 4(iii) | 55.35 | 54.88 |
| Deferred tax assets (net) | 5 | 9.31 | 6.04 |
| Other non-current assets | 6 | 8.60 | 6.72 |
| **Total Non-current assets** | | **3,518.48** | **3,565.21** |
| **Current assets** | | | |
| Inventories | 7 | 1,739.33 | 1,772.40 |
| Financial Assets | 8 | | |
| (i) Investments | 8(i) | 3,623.22 | 3,561.74 |
| (ii) Trade receivables | 8(ii) | 2,474.65 | 2,639.71 |
| (iii) Cash and cash equivalents | 8(iii) | 197.81 | 287.28 |
| (iv) Bank balances other than (iii) above | 8(iv) | 5.85 | 5.68 |
| (v) Other financial assets | 8(v) | 36.37 | 44.61 |
| Current tax assets (net) | 9 | 30.28 | 30.65 |
| Other current assets | 10 | 221.70 | 256.35 |
| **Total Current assets** | | **8,329.21** | **8,598.42** |
| **TOTAL ASSETS** | | **11,847.69** | **12,163.63** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Share capital | 11 | 13.81 | 13.81 |
| Other Equity | 12 | 8,159.39 | 7,795.37 |
| **Total** | | **8,173.20** | **7,809.18** |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Financial liabilities | 13 | | |
| (i) Borrowings | 13(i) | 271.33 | 233.32 |
| (ii) Lease liability | 13(ii) | 75.19 | 75.19 |
| Provisions | 14 | 316.35 | 282.14 |
| Other non-current liabilities | 16(i) | 26.43 | 26.20 |
| **Total Non- current liabilities** | | **689.30** | **616.85** |
| **Current liabilities** | | | |
| Financial liabilities | 15 | | |
| (i) Borrowings | 15(i) | 1,387.63 | 1,851.14 |
| (ii) Lease liability | 13(ii) | 12.75 | 12.75 |
| (iii) Trade Payables | 15(ii) | | |
| Total outstanding dues of micro enterprises and small enterprises | | 5.02 | 6.59 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 864.77 | 971.73 |
| (iv) Other financial liabilities | 15(iii) | 635.63 | 814.48 |
| Provisions | 14 | 9.11 | 10.06 |
| Other current liabilities | 16(ii) | 70.28 | 70.85 |
| **Total Current Liabilities** | | **2,985.19** | **3,737.60** |
| **TOTAL EQUITY AND LIABILITIES** | | **11,847.69** | **12,163.63** |

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

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

**Sd/-**
**J.D. Giri**
(Director)
DIN: 00047490

**Sd/-**
**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Sd/-**
**Rakesh Kumar**
(Company Secretary)
ACS: 21913

Place: Faridabad
Date: 02 November 2026

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**PROVISIONAL & UNAUDITED STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30 JUNE, 2026**

**All amounts are in ₹ Crores, unless otherwise stated**

| | Note | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 17 | 3,025.67 | 10,627.93 |
| Other income | 18 | 36.66 | 674.50 |
| **Total income** | | **3,062.33** | **11,302.43** |
| | | | |
| **EXPENSES** | | | |
| Cost of raw materials consumed | 19 | 987.98 | 3,828.93 |
| Purchases of stock-in-trade | 20 | 507.49 | 1,192.04 |
| Changes in inventories of finished goods and work-in-progress | 21 | (19.32) | (68.96) |
| Employee benefits expense | 22 | 743.94 | 2,715.18 |
| Research and development expenses | 23 & 3 | 18.84 | 74.31 |
| Finance costs | 24 | 35.63 | 147.58 |
| Depreciation and amortization expense | 3 | 40.78 | 187.93 |
| Other expenses | 25 | 456.61 | 1,965.82 |
| **Total expenses** | | **2,771.95** | **10,042.83** |
| | | | |
| **Profit before tax** | | **290.38** | **1,259.60** |
| | | | |
| **Tax expenses:** | | | |
| Current tax | | 30.29 | 197.16 |
| Deferred tax (credit)/charge | | (3.26) | 58.29 |
| | | **27.03** | **255.45** |
| | | | |
| **Profit for the year (1)** | | **263.35** | **1,004.15** |
| | | | |
| **Other comprehensive income / (loss):** | | | |
| *Items that may be reclassified to profit or loss* | | | |
| Gains/(loss) on forward exchange contracts (net) | | 100.67 | (266.67) |
| Fair value gain/(loss) on equity instruments designated at FVOCI (net) | | - | 32.60 |
| **Other comprehensive income/(loss) for the year (2)** | | **100.67** | **(234.07)** |
| | | | |
| **Total comprehensive income for the year (1+2)** | | **364.02** | **770.08** |
| | | | |
| **Earnings per equity share of ₹ 10 each (Previous year: ₹ 10)** | | | |
| Basic & Diluted (in ₹) | | 191 | 727 |

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

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

**Sd/-**
**J.D. Giri**
(Director)
DIN: 00047490

**Sd/-**
**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Sd/-**
**Rakesh Kumar**
(Company Secretary)
ACS: 21913

Place: Faridabad
Date: 02 November 2026

SHAHI EXPORTS PRIVATE LIMITED

CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404

PROVISIONAL & UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE, 2026

All amounts are in ₹ Crores, unless otherwise stated

A. Share Capital

| Particulars | Equity share capital | | Preference share capital | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **As at 1 April, 2025** | 1,38,12,186 | 13.81 | 15,000 | 0.02 |
| Changes in share capital | - | - | (15,000) | (0.02) |
| **As at 31 March, 2026** | 1,38,12,186 | 13.81 | - | - |
| Changes in share capital | - | - | - | - |
| **As at 30 June, 2026 (Refer Note 11)** | 1,38,12,186 | 13.81 | - | - |

B. Other equity

**For the period ended 30 June 2026**

| Particulars | Reserves and Surplus | | | | Loss on forward contracts through other comprehensive income | Equity instrument through other comprehensive income | Total Equity |
|---|---|---|---|---|---|---|---|
| | Retained Earnings | Capital Reserve | Capital Redemption Reserve | Share Premium | | | |
| **Balance as at 1 April 2026** | 7,940.59 | 4.96 | 0.02 | 83.87 | (266.67) | 32.60 | 7,795.37 |
| Profit for the year | 263.35 | - | - | - | - | - | 263.35 |
| Gains/(loss) on forward exchange contracts (net) | - | - | - | - | 100.67 | - | 100.67 |
| Fair value gain of investment in equity instruments designated at FVOCI | - | - | - | - | - | - | - |
| Preference shares redeemed during the year | - | - | - | - | - | - | - |
| Dividend paid | - | - | - | - | - | - | - |
| **Balance as at 30 June 2026** | **8,203.94** | **4.96** | **0.02** | **83.87** | **(166.00)** | **32.60** | **8,159.39** |

**For the year ended 31 March 2026**

| Particulars | Reserves and Surplus | | | | Loss on forward contracts through other comprehensive income | Equity instrument through other comprehensive income | Total Equity |
|---|---|---|---|---|---|---|---|
| | Retained Earnings | Capital Reserve | Capital Redemption Reserve | Share Premium | | | |
| **Balance as at 1 April 2025** | 6,936.46 | 4.96 | - | 135.08 | - | - | 7,076.50 |
| Profit for the year | 1,004.15 | - | - | - | - | - | 1,004.15 |
| Gains/(loss) on forward exchange contracts (net) | - | - | - | - | (266.67) | - | (266.67) |
| Fair value gain of investment in equity instruments designated at FVOCI | - | - | - | - | - | 32.60 | 32.60 |
| Preference shares redeemed during the year | (0.02) | - | 0.02 | (51.21) | - | - | (51.21) |
| Dividend paid | (0) | - | - | - | - | - | (0) |
| **Balance as at 31 March 2026** | **7,940.59** | **4.96** | **0.02** | **83.87** | **(266.67)** | **32.60** | **7,795.37** |

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

**Sd/-**
**J.D. Giri**
(Director)
DIN: 00047490

**Sd/-**
**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Sd/-**
**Rakesh Kumar**
(Company Secretary)
ACS: 21913

Place: Faridabad
Date: 02 November 2026

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**PROVISIONAL & UNAUDITED STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE, 2026**

**All amounts are in ₹ Crores, unless otherwise stated**

| S.No. | Particulars | Period ended 30 June 2026 | Year ended 31 March 2026 |
|---|---|---|---|
| A | **Cash flow from operating activities** | | |
| | Profit before tax | 290.38 | 1,259.60 |
| | **Adjustments for:** | | |
| | Depreciation and amortization expense | 41.27 | 188.90 |
| | Unrealized foreign exchange loss/(gain) | (25.23) | (112.65) |
| | Net (Profit)/Loss on sale/discarding of property, plant & equipment | (1.13) | (1.95) |
| | Interest and income from Investments | (31.70) | (189.86) |
| | Redemption of preference shares | - | (51.23) |
| | Derivative reserve on foreign exchange forward contracts | 100.67 | (266.67) |
| | Fair value gain on equity instruments designated at FVOCI | - | 32.60 |
| | Finance costs | 35.63 | 147.59 |
| | **Operating profit /(loss) before Working Capital Change** | **409.89** | **1,006.33** |
| | (Increase)/Decrease in Trade receivables | 193.14 | (160.12) |
| | (Increase)/Decrease in Inventories | 33.06 | (101.83) |
| | (Decrease)/Increase in Trade payables | (111.38) | (331.52) |
| | (Increase)/Decrease in other Current and Financial assets | 56.33 | 396.27 |
| | (Increase)/Decrease in other Current and Financial liabilities | (146.21) | 241.54 |
| | **Changes in Working Capital** | **24.94** | **44.83** |
| | **Cash generated from operations** | **434.83** | **1,050.67** |
| | Income Taxes Paid (net of refund) | (25.00) | (178.00) |
| | **Net cash from/ (used in) operating activities** | **409.83** | **872.67** |
| B | **Cash flow from investing activities** | | |
| | Payment for purchase of property, plant & equipment and capital work in progress | (29.57) | (307.98) |
| | Proceeds from sale of property, plant & equipment | 2.05 | 6.66 |
| | (Purchase)/proceeds from investments | (49.60) | (1,244.52) |
| | Interest and income from Investments | 39.96 | 180.82 |
| | **Net cash from/ (used in) investing activities** | **(37.16)** | **(1,365.02)** |
| C | **Cash flow from financing activities** | | |
| | Proceeds/(repayments) of long term borrowings | 38.01 | 233.32 |
| | Proceeds/(repayments) of short term borrowings | (463.50) | (4.07) |
| | Repayment of lease liabilities | - | (18.63) |
| | Finance cost paid | (36.48) | (137.85) |
| | Dividend paid | - | (0) |
| | **Net cash from/ (used in) financing activities** | **(461.97)** | **72.77** |
| D | **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **(89.30)** | **(419.58)** |
| E | **Cash and cash equivalents at the beginning of the year** | **292.96** | **712.54** |
| F | **Cash and cash equivalents at the end of the financial year (D+E)** | **203.66** | **292.96** |
| | **Cash and cash equivalents comprises :** | | |
| | Cash on hand | 0.48 | 0.47 |
| | Balance with Banks | 203.18 | 292.49 |
| | Refer note 8(iii) and 8(iv) for components of Cash and Cash Equivalents | **203.66** | **292.96** |

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

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

**Sd/-**
**J.D. Giri**
(Director)
DIN: 00047490

**Sd/-**
**Vinod K. Bhardwaj**
(Director)
DIN: 00057037

**Sd/-**
**Rakesh Kumar**
(Company Secretary)
ACS: 21913

Place: Faridabad
Date: 02 November 2026

**SHAHI EXPORTS PRIVATE LIMITED**
**Notes to Financial Statements for the period ended 30 June, 2026**

## 1 Background

The company is primarily engaged in the business of designing, manufacturing and selling a wide range of readymade garments and fabric items and caters to the needs of several leading international fashion brands and retailers. The principle source of revenue for the company is from the export of garments and allied products. The Company is also engaged in generating, accumulating, supplying and distributing wind and solar power.

## 2 Basis of preparation of financial Statements

### Compliance with Indian Accounting Standard (Ind AS) and Historical cost convention

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These standalone financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which the changes are made.

### Summary of Material Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

## 2.1 Current verses non-current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
(a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
(b) Held primarily for the purpose of trading
(c) Expected to be realised within twelve months after the reporting period, or
(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## 2.2 Property, plant and equipment

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on a pro-rata basis using written down value (WDV) method based on useful lives of the assets estimated by the management which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

**Capital work in progress**
Cost of assets not ready for intended use, as the balance sheet date, is shown as capital work in progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

## 2.3 Intangible assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets relating to Computer Software are depreciated over the estimated useful lives which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013.

Intangible assets acquired in a business combination are recognised at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

## 2.4 Inventories

Raw materials, packing materials, stores, spares and consumables are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work in progress, finished goods and other inventories are valued at lower of cost or net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.

The net realizable value is determined with reference to selling price of goods less the estimated cost necessary to make the sale.

## 2.5 Revenue recognition

**i) Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Company is generally the principal as it typically controls the goods before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

**ii) Interest income**

Interest Income is recognized, when it is probable that the economic benefits will flow to the Company, on a time proportion basis taking into account the outstanding amount and the applicable interest rate.

**iii) Dividends**

Dividend income on investments is accounted when the right to receive the dividend is established.

## 2.6 Government Grants and Export incentives

Government Grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is netted off with the relevant expense. Where the grants relates to an asset, it is recognized as income over the expected useful life of the related assets.

Export incentives are recognised on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the Company will comply with the conditions attached to them.

## 2.7 Foreign currency transactions

**Functional Currency**

The functional and presentation currency of the Company is Indian Rupee (₹) which is the currency of the primary economic environment in which the Company operates.

**Transactions and translations**

Transactions in foreign currencies are translated at the exchange rates prevailing on the date of transaction. Foreign exchange gains and losses resulting from the settlement of transaction in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currency at year end exchange rates are generally recognized in Profit and Loss.

Forward currency contract are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative. Change in the fair value of forward contract are recognized through Other Comprehensive Income as forward contracts are not against underlying assets/liabilities.

**2.8 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A. Financial assets**

**(i) Initial recognition and measurement**

At initial recognition, the Company measures a financial asset at its fair value, plus in the case of a financial asset not recorded at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**(ii) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified as debt instruments and equity instruments.

**(a) Debt instruments**

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

Amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Fair value through other comprehensive income (FVOCI): A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency, however no such designation has been made. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**(b) Equity instruments**

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost on first time adoption of Ind AS. Equity instruments which are held for trading are classified as at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at Fair Value Through Other Comprehensive Income (FVTOCI) or Fair Value Through Profit or Loss (FVTPL). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**(c) Investment in subsidiaries and Joint Venture**

Investment in equity instruments of subsidiaries and joint venture is carried at cost less impairment, if any. At the end of each reporting period the Company assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

**(iii) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company's similar financial assets) is primarily derecognised when:

a) The rights to receive cash flows from the asset have expired, or
b) The Company has transferred substantially all the risks and rewards of the asset.

The Company derecognises a financial asset when:
– the contractual rights to the cash flows from the financial asset expire; or
– it transfers the rights to receive the contractual cash flows in a transaction in which either:
• substantially all of the risks and rewards of ownership of the financial asset are transferred; or
• the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

**(iv) Impairment of financial assets**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, loans, advances, security deposits, trade receivables etc. held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort.

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets on a case to case basis. The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low.

B. **Financial liabilities**

(i) **Initial recognition, measurement and presentation**

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings, derivative financial instruments and financial guarantee contracts.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss. Financial liabilities are designated upon initial recognition as at fair value through profit or loss only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

**Trade Payables**

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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 or loss.

## 2.9 Derivative and hedging activities

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

**Cash flow hedge:**

The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

**Fair Value Hedge:**

Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.

**Financial instruments at fair value through profit or loss:**

This category has derivative financial instruments which are not designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

## 2.10 Employee Benefits

**(i) Short-term Obligations**

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are expected to be settled after the retirement of employee. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

**(iii) Post-employment obligations**

**Defined benefit plan**

**Gratuity**

Gratuity liability is a defined benefit obligation which is funded through policy taken from and liability (net of fair value of investment) is provided for on projected unit credit method made at the end of each balance sheet date. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis. The Company makes defined contribution to the Gratuity Trust established for this purpose.

**Defined contribution plan**

**Provident Fund**

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company recognises contribution payable to provident and pension fund as expenditure, when an employee renders the related service.

## 2.11 Taxation

Tax expense for the year comprises current and deferred tax.

**Current tax**

Current income tax is recognised based on the taxable profit for the year, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet. Current tax assets and tax liabilities are offset where the Company 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.

**Deferred tax**

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

## 2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.

## 2.13 Impairment of non-financial assets

As at the end of each accounting year, the company reviews the carrying amounts of its property, plant and equipment, Right of use assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

## 2.14 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

## 2.15 Earnings per Share

**Basic earnings per share**

Basic earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**

Diluted earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

## 2.16 Research & Development

Property, plant and equipment (Fixed assets) acquired for Research and Development are capitalized. Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred.

## 2.17 Fair Value Measurement

The company measures financial instruments, such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either -

-In the principal market for the asset or liability, or
-In the absence of a principal market, in the most advantageous market for the asset or liability.

## 2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Chief Executive Officer of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments, by the Management of the Company who generally assesses the financial performance and position of the Company and makes strategic decisions.

## 2.19 Leases

The Company has adopted Ind AS 116 "Leases" from 01 April 2019.

The Company's lease asset classes primarily consist of leases for buildings. The Company as a lessee assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.
Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 2.20 Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and demand deposits with the banks. It also includes short-term deposits with original maturities of three months or less.

SHAHI EXPORTS PRIVATE LIMITED
Notes to Financial Statements for the period ended 30 June, 2026

3 Property, plant and equipment, capital work-in-progress and intangible assets (Contd.....)

All amounts are in ₹ Crores, unless otherwise stated

a. Property, plant and equipment other than research and development

| Particulars | Freehold land | Leasehold land | Leasehold Improvements | Buildings | Right of use asset - Buildings | Roads | Tubewell | Plant and machinery | Windmill | Solar | Laboratory equipments | Electricals | Vehicles | Furniture & fixtures | Office equipment | Computers | Paintings | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2026 | 194.97 | 26.11 | - | 770.76 | 124.93 | 17.96 | 1.55 | 1,804.61 | 42.14 | 485.95 | 3.38 | 176.51 | 45.56 | 49.52 | 28.21 | 99.51 | 0.19 | 3,871.86 |
| Additions | 10.63 | - | - | 8.16 | - | - | - | 27.28 | - | - | 0.04 | 1.93 | 0.90 | 0.33 | 0.80 | 1.93 | - | 51.99 |
| Disposals | - | - | - | 0.19 | - | - | - | 7.91 | - | - | 0.03 | 0.13 | 0.81 | 0.15 | 0.09 | 0.70 | - | 10.02 |
| **As at 30 June, 2026** | **205.59** | **26.11** | **-** | **778.72** | **124.93** | **17.96** | **1.55** | **1,823.98** | **42.14** | **485.95** | **3.39** | **178.32** | **45.64** | **49.69** | **28.92** | **100.73** | **0.19** | **3,913.83** |
| **Depreciation** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2026 | - | - | - | 455.51 | 52.25 | 13.46 | 0.73 | 1,401.48 | 39.41 | 234.91 | 2.74 | 129.62 | 28.70 | 40.74 | 21.91 | 90.64 | 0.07 | 2,512.17 |
| Charge for the year | - | - | - | 6.08 | 3.00 | 0.16 | 0.01 | 17.07 | 0.08 | 6.96 | 0.06 | 1.45 | 1.13 | 0.86 | 0.49 | 2.72 | 0 | 40.08 |
| Disposals | - | - | - | 0.10 | - | - | - | 7.29 | - | - | 0.01 | 0.13 | 0.76 | 0.14 | 0.07 | 0.61 | - | 9.10 |
| **As at 30 June, 2026** | **-** | **-** | **-** | **461.49** | **55.25** | **13.62** | **0.75** | **1,411.26** | **39.49** | **241.87** | **2.80** | **130.93** | **29.07** | **41.46** | **22.33** | **92.75** | **0.08** | **2,543.15** |
| **Net block** | **205.59** | **26.11** | **-** | **317.23** | **69.68** | **4.34** | **0.80** | **412.72** | **2.65** | **244.08** | **0.59** | **47.38** | **16.58** | **8.23** | **6.59** | **7.98** | **0.11** | **1,370.68** |

Research and development*

| Particulars | Plant and machinery | Buildings | Laboratory Equipment | Electricals | Furniture & fixtures | Office equipment | Computers | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| As at 1 April, 2026 | 19.28 | 0.04 | 6.47 | 0.72 | 0.35 | 0.05 | 4.06 | 30.97 |
| Additions | 0.05 | - | 0.09 | 0.03 | 0.01 | 0.00 | 0.06 | 0.25 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 30 June, 2026** | **19.33** | **0.04** | **6.56** | **0.74** | **0.37** | **0.05** | **4.12** | **31.22** |
| **Depreciation** | | | | | | | | - |
| As at 1 April, 2026 | 14.93 | 0.02 | 3.43 | 0.31 | 0.16 | 0.03 | 2.84 | 21.72 |
| Charge for the year | 0.22 | 0 | 0.14 | 0.01 | 0 | 0 | 0.12 | 0.48 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 30 June, 2026** | **15.15** | **0.03** | **3.57** | **0.32** | **0.16** | **0.03** | **2.95** | **22.20** |
| **Net block** | **4.18** | **0.01** | **2.99** | **0.42** | **0.21** | **0.03** | **1.17** | **9.02** |

b. Capital work-in-progress ageing schedule for the period ended 30 June 2026 is as follows:

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| **Particulars** | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Projects in progress | 37.81 | - | - | - | 37.81 |
| **Total** | **37.81** | **-** | **-** | **-** | **37.81** |

c.

| | Intangible assets | | | |
|---|---|---|---|---|
| **Particulars** | Computer Software | Computer Software (Research)* | Brand | Total |
| **Gross Block** | | | | |
| As at 1 April, 2026 | 35.56 | 2.51 | - | 38.07 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| **As at 30 June, 2026** | **35.56** | **2.51** | **-** | **38.07** |
| **Amortization** | | | | |
| As at 1 April, 2026 | 22.39 | 2.51 | - | 24.90 |
| Charge for the year | 0.70 | 0 | - | 0.70 |
| Disposals | - | - | - | - |
| **As at 30 June, 2026** | **23.09** | **2.51** | **-** | **25.60** |
| **Net block** | **12.47** | **0** | **-** | **12.47** |

*Refer note 24 for details related to research and development expenses.

SHAHI EXPORTS PRIVATE LIMITED
Notes to Financial Statements for the period ended 30 June, 2026

3 Property, plant and equipment, capital work-in-progress and intangible assets

All amounts are in ₹ Crores, unless otherwise stated

a. Property, plant and equipment other than research and development

| Particulars | Freehold land | Leasehold land | Leasehold Improvements | Buildings | Right of use asset - Buildings | Roads | Tubewell | Plant and machinery | Windmill | Solar | Laboratory equipments | Electricals | Vehicles | Furniture & fixtures | Office equipment | Computers | Paintings | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2025 | 142.57 | 26.11 | 4.05 | 731.02 | 124.93 | 17.96 | 1.55 | 1,697.50 | 42.14 | 485.75 | 3.29 | 167.48 | 44.36 | 48.51 | 24.62 | 92.79 | 0.19 | 3,654.82 |
| Additions | 52.56 | - | - | 40.36 | - | - | - | 134.70 | - | 0.20 | 0.19 | 9.56 | 4.44 | 1.62 | 3.94 | 9.53 | - | 257.10 |
| Disposals | 0.16 | - | 4.05 | 0.62 | - | - | - | 27.59 | - | - | 0.10 | 0.53 | 3.24 | 0.61 | 0.35 | 2.81 | - | 40.06 |
| **As at 31 March, 2026** | **194.97** | **26.11** | **-** | **770.76** | **124.93** | **17.96** | **1.55** | **1,804.61** | **42.14** | **485.95** | **3.38** | **176.51** | **45.56** | **49.52** | **28.21** | **99.51** | **0.19** | **3,871.86** |
| **Depreciation** | | | | | | | | | | | | | | | | | | |
| As at 1 April, 2025 | - | - | 3.47 | 427.89 | 38.46 | 12.71 | 0.68 | 1,348.54 | 39.04 | 202.85 | 2.48 | 123.47 | 26.53 | 37.33 | 19.94 | 80.55 | 0.06 | 2,364.00 |
| Charge for the year | - | - | 0.16 | 28.00 | 13.79 | 0.75 | 0.05 | 78.46 | 0.37 | 32.06 | 0.29 | 6.67 | 5.20 | 3.96 | 2.26 | 12.54 | 0.01 | 184.57 |
| Disposals | - | - | 3.63 | 0.38 | - | - | - | 25.52 | - | - | 0.03 | 0.52 | 3.03 | 0.55 | 0.29 | 2.45 | - | 36.40 |
| **As at 31 March, 2026** | **-** | **-** | **-** | **455.51** | **52.25** | **13.46** | **0.73** | **1,401.48** | **39.41** | **234.91** | **2.74** | **129.62** | **28.70** | **40.74** | **21.91** | **90.64** | **0.07** | **2,512.17** |
| **Net block** | **194.97** | **26.11** | **-** | **315.25** | **72.68** | **4.50** | **0.82** | **403.13** | **2.73** | **251.04** | **0.64** | **46.89** | **16.86** | **8.78** | **6.30** | **8.87** | **0.12** | **1,359.69** |

Research and development*

| Particulars | Plant and machinery | Buildings | Laboratory Equipment | Electricals | Furniture & fixtures | Office equipment | Computers | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| As at 1 April, 2025 | 18.59 | 0.04 | 5.23 | 0.35 | 0.18 | 0.04 | 3.19 | 27.62 |
| Additions | 0.69 | - | 1.24 | 0.37 | 0.17 | 0.01 | 0.87 | 3.35 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 31 March, 2026** | **19.28** | **0.04** | **6.47** | **0.72** | **0.35** | **0.05** | **4.06** | **30.97** |
| **Depreciation** | | | | | | | | |
| As at 1 April, 2025 | 14.50 | 0.02 | 3.16 | 0.30 | 0.16 | 0.02 | 2.61 | 20.77 |
| Charge for the year | 0.43 | 0 | 0.27 | 0.01 | 0 | 0 | 0.23 | 0.95 |
| Disposals | - | - | - | - | - | - | - | - |
| **As at 31 March, 2026** | **14.93** | **0.02** | **3.43** | **0.31** | **0.16** | **0.03** | **2.84** | **21.72** |
| **Net block** | **4.35** | **0.02** | **3.04** | **0.41** | **0.19** | **0.02** | **1.22** | **9.25** |

b. Capital work-in-progress ageing schedule for the year ended 31 March 2026 is as follows:

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Projects in progress | 59.52 | 0.96 | - | - | 60.48 |
| **Total** | **59.52** | **0.96** | **-** | **-** | **60.48** |

c.

| Particulars | Intangible assets | | | |
|---|---|---|---|---|
| | Computer Software | Computer Software (Research)* | Brand | Total |
| **Gross Block** | | | | |
| As at 1 April, 2025 | 33.40 | 2.51 | 20.70 | 56.61 |
| Additions | 2.67 | - | - | 2.67 |
| Disposals | 0.51 | - | 20.70 | 21.21 |
| **As at 31 March, 2026** | **35.56** | **2.51** | **-** | **38.07** |
| **Amortization** | | | | |
| As at 1 April, 2025 | 20.07 | 2.49 | 19.11 | 41.67 |
| Charge for the year | 2.81 | 0.02 | 0.55 | 3.38 |
| Disposals | 0.49 | - | 19.66 | 20.15 |
| **As at 31 March, 2026** | **22.39** | **2.51** | **-** | **24.90** |
| **Net block** | **13.17** | **0** | **-** | **13.17** |

*Refer note 24 for details related to research and development expenses.

All amounts are in ₹ Crores, unless otherwise stated

## 4 Financial Assets - Non Current

| 4 (i) Investment - Non Current | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| **(a) Investments in equity & preference shares and debt instruments** | | |
| **Unquoted** | | |
| Mana Effluent Treatment Plant Limited | 0.02 | 0.02 |
| 200 (Previous year 200) Equity Shares of Rs. 1,000 each fully paid up | | |
| Stallion Infratech LLP (erstwhile Stallion Infratech Private Limited) | - | 13.76 |
| Nil (Previous year 13,764,168) Equity Shares of Rs. 10 each fully paid up | | |
| Plaeup Private Limited | | |
| 19,171 (Previous year 19,171) Preference Shares of Rs. 1,043.20 each fully paid up | 2.00 | 2.00 |
| Plaeup Private Limited | | |
| 75,000 (Previous year 75,000) Compulsory Convertible Debentures of Rs. 100 each fully paid up | 0.75 | 0.75 |
| Plaeup Private Limited | 0.24 | 0.24 |
| 239,162 (Previous year 239,162) Equity Shares of Rs. 10 each fully paid up | | |
| OFB Tech Private Limited | 23.47 | 23.47 |
| 352 (Previous year 352) Compulsory Convertible Preference Shares Shares of Rs. 666,693.93 each fully paid up | | |
| Avaada Indsolar Private Limited | 2.10 | 2.10 |
| 2,100,000 (Previous year 2,100,000) Equity Shares of Rs. 10 each fully paid up | | |
| National Stock Exchange of India Limited | 24.77 | 24.77 |
| 390,000 (Previous year 390,000) Equity Shares of Rs. 635.18 each fully paid up | | |
| Ambit Finvest Private Limited | 25.00 | 25.00 |
| 246,840 (Previous year 246,840) Equity Shares of Rs. 1,012.77 each fully paid up | | |
| DXM, Inc. | 0 | 0 |
| 1,440,000 equity shares (Previous year 1,440,000) of USD 0.0001 each | | |
| Convertible promissory note | 1.82 | 1.82 |
| **In equity & preference shares of associate companies** | | |
| Bhaane Retail Private Limited (erstwhile Camp India Private Limited) | 0.56 | 0.56 |
| 556,443 (Previous year 556,443) Equity Shares of Rs. 10 each fully paid up | | |
| Bhaane Retail Private Limited (erstwhile Camp India Private Limited) | 149.89 | 149.89 |
| 149,891,200 (Previous year 149,891,200) Preference Shares of Rs. 10 each fully paid up | | |
| **In equity & preference shares of subsidiary companies** | | |
| AHP Garments Private Limited | 0.01 | 0.01 |
| 10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | | |
| AHP Apparel Private Limited | 0.09 | 0.09 |
| 10,000 (Previous year 10,000) Equity Shares of Rs. 92.26 each fully paid up | | |
| HSA Apparel Private Limited | 0.01 | 0.01 |
| 10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | | |
| HSS Textile Private Limited | 0.01 | 0.01 |
| 10,000 (Previous year 10,000) Equity Shares of Rs 10 each fully paid up | | |
| PHA Apparel Private Limited | 0.01 | 0.01 |
| 10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | | |
| Shahi Knits Private Limited | 0.01 | 0.01 |
| 10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid up | | |
| Shahi Properties Limited | 225.11 | 225.11 |
| 22,435,000 (Previous year 22,435,000) Compulsory Convertible Preference Shares of GBP 1 each fully paid up | | |
| Shahi Infra Limited | 61.62 | 61.62 |
| 5,630,000 (Previous year 5,630,000) Compulsory Convertible Preference Shares of GBP 1 each fully paid up | | |
| Shahi Realty Limited (erstwhile SKA UN Limited) | 246.50 | 244.62 |
| 23,195,000 (Previous year 23,045,000) Compulsory Convertible Preference Shares of GBP 1 each fully paid up | | |
| Avinya General Insurance Limited | 2.35 | 2.35 |
| 2,350,000 (Previous year 2,350,000) Equity Shares of Rs. 10 each fully paid up | | |

All amounts are in ₹ Crores, unless otherwise stated

| | | |
|---|---|---|
| Sewtech Fashions Limited<br>25,000 (Previous year 25,000) Equity Shares of Taka 10 each fully paid up | 0.02 | 0.02 |
| Shahi Realty Limited (erstwhile SKA UN Limited)<br>1,000 (Previous year 1,000) Equity Shares of GBP 1 each fully paid up | 0.01 | 0.01 |
| Shahi Properties Limited<br>1,000 (Previous year 1,000) Equity Shares of GBP 1 each fully paid up | 0.01 | 0.01 |
| Shahi Infra Limited<br>1,000 (Previous year 1,000) Equity Shares of GBP 1 each fully paid up | 0.01 | 0.01 |
| **Total investment in equity & preference shares** | **766.39** | **778.27** |
| **(b) Investments in bonds** | | |
| 32,735 Bonds of Rs. 1,000 each in Indian Railway Finance Corporation Ltd | 3.27 | 3.27 |
| 29,704 Bonds of Rs. 1,000 each in National Highways Authority of India | 2.97 | 2.97 |
| 17,030 Bonds of Rs. 1,000 each in Indian Renewable Energy Development Agency Ltd | 1.70 | 1.70 |
| 22,065 Bonds of Rs. 1,000 each in Housing & Urban Development Corporation Ltd | 2.21 | 2.21 |
| 15,030 Bonds of Rs. 1,000 each in National Bank For Agriculture And Rural Development | 1.50 | 1.50 |
| **Total investment in bonds** | **11.65** | **11.65** |
| **Total Non Current Investments** | **778.04** | **789.92** |
| Aggregate amount of quoted investments | 11.65 | 11.65 |
| Aggregate amount of unquoted investments | 766.39 | 778.27 |

**4(ii) Loans - Non Current**
**(Unsecured, considered good unless otherwise stated)**

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Loans to related parties (Refer note 30) | 1,151.12 | 1,175.73 |
| Other loans | 86.08 | 89.33 |
| **Total loans - Non Current** | **1,237.20** | **1,265.06** |

**4(iii) Other financial assets - Non Current**
**(Unsecured, considered good unless otherwise stated)**

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| (i) Bank deposits with maturity more than 12 months | 0.33 | 0.33 |
| (ii) Security deposits rent | 35.18 | 34.80 |
| (iii) Security deposits others | 19.84 | 19.75 |
| **Total other financial assets - Non Current** | **55.35** | **54.88** |

**5 Deferred tax assets (net)**

The following is the analysis of the net deferred tax asset/(liability) position as presented in the financial statements:

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| **Deferred tax assets** | | |
| Related to gratuity, leave encashment, bonus and others | 118.73 | 116.34 |
| **Total deferred tax assets (A)** | **118.73** | **116.34** |
| **Deferred tax liabilities** | | |
| Related to property, plant and equipment and others | 41.05 | 48.14 |
| Fair value gain on financial instruments at fair value through statement of profit or loss (net) | 68.37 | 62.16 |
| **Total deferred tax liabilities (B)** | **109.42** | **110.30** |
| **Net deferred tax assets (A-B)** | **9.31** | **6.04** |

All amounts are in ₹ Crores, unless otherwise stated

| 6 Other Non current assets (Unsecured, considered good unless otherwise stated) | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Capital advances | 5.26 | 3.64 |
| Advances other than capital advances: | | |
| -Prepaid expenses | 3.02 | 2.94 |
| -Balance with statutory/government authorities | 0.32 | 0.14 |
| **Total other non-current assets** | **8.60** | **6.72** |

| 7 Inventories | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Raw materials | 719.26 | 774.72 |
| Work-in-progress | 345.24 | 395.55 |
| Finished goods | 549.73 | 480.10 |
| Stores and spare parts | 13.18 | 10.11 |
| Paintings | 111.92 | 111.92 |
| **Total inventories** | **1,739.33** | **1,772.40** |

8 Financial Assets - Current

| 8(i) Current investments | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| **Investments in Mutual Funds (Quoted)** | | |
| Equity based funds | 1,449.60 | 1,425.00 |
| Debts based funds | 1,904.70 | 1,872.38 |
| **Investments in equity instruments (Quoted)** | | |
| Investments in equity shares | 268.92 | 264.36 |
| **Aggregate amount of quoted investments** | **3,623.22** | **3,561.74** |

| 8(ii) Trade receivables | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Unsecured, considered good | 2,474.65 | 2,639.71 |
| Unsecured, considered doubtful | 34.64 | 34.64 |
| Less: Allowance for doubtful trade receivables | (34.64) | (34.64) |
| **Total trade receivables** | **2,474.65** | **2,639.71** |

All amounts are in ₹ Crores, unless otherwise stated

| 8(iii) Cash and cash equivalents | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Balances with Banks | | |
| - in current accounts | 197.33 | 266.38 |
| - in deposits (maturity less than 3 months) | - | 20.43 |
| Cash on hand | 0.48 | 0.47 |
| **Total cash and cash equivalents** | **197.81** | **287.28** |

| 8(iv) Bank balances other than (iii) above | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Deposits with maturity more than 3 months but less than 12 months | 5.85 | 5.68 |
| **Total Bank Balances other than (iii) above** | **5.85** | **5.68** |

| 8(v) Other financial assets<br>(Unsecured, considered good unless otherwise stated) | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Subsidy receivable | 8.11 | 8.11 |
| Less: Provision for doubtful subsidy receivable | (2.36) | (2.36) |
| | 5.75 | 5.75 |
| Interest accrued on loans & deposits | 30.62 | 38.86 |
| **Total other financial assets** | **36.37** | **44.61** |

| 9 Current tax assets (net) | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Advance income tax | 30.28 | 30.65 |
| **Total current tax assets** | **30.28** | **30.65** |

| 10 Other current assets<br>(Unsecured, considered good unless otherwise stated) | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Advances other than capital advances: | | |
| -Advances to suppliers | 11.37 | 15.18 |
| -Prepaid expenses | 6.40 | 6.69 |
| -Other receivables | 38.26 | 38.72 |
| Balance with statutory/government authorities | 149.80 | 177.70 |
| Export incentives receivable | 15.87 | 18.06 |
| **Total other current assets** | **221.70** | **256.35** |

All amounts are in ₹ Crores, unless otherwise stated

## 11 Share capital

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| **Authorised Share Capital** | | |
| 11,000,000 (Previous year 11,000,000) Voting Equity Shares (Class EQ) of ₹10 each | 11.00 | 11.00 |
| 4,500,000 (Previous year 4,500,000) Non-Voting Equity Shares (EQ Class B) of ₹10 each | 4.50 | 4.50 |
| **Preference Shares** | | |
| 265,000 (Previous year 265,000) 0.01% Preference Shares of Rs. 10 each | 0.27 | 0.27 |
| **Total authorised share capital** | **15.77** | **15.77** |
| | | |
| **Issued, subscribed and fully paid up Shares** | | |
| 10,217,126 (Previous year 10,217,126) Voting Equity Shares (Class EQ) of ₹10 each | 10.21 | 10.21 |
| 3,595,060 (Previous year 3,595,060) Non-Voting Equity Shares (EQ Class B) of ₹10 each | 3.60 | 3.60 |
| **Preference Shares** | | |
| Nil (Previous year 15,000) 0.01% Preference shares of ₹10 each fully paid up | - | 0.02 |
| **Total issued, subscribed and fully paid up Shares** | **13.81** | **13.83** |

### a) Reconciliation of shares outstanding at the beginning and at the end of the year:

| **Equity Shares** | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| At the beginning of the year | 1,38,12,186 | 1,38,12,186 |
| Issued during the year | - | - |
| Outstanding at the end of the year | **1,38,12,186** | **1,38,12,186** |
| | | |
| **Preference shares** | | |
| At the beginning of the year | - | 15,000 |
| Less: 0.01% 15,000 Preference shares redeemed during the year | - | (15,000) |
| Outstanding at the end of the year | - | - |

### b) Terms and rights attached to equity and preference shares

Equity Shares: The Company has two class of equity shares Class EQ and EQ Class B having a par value of ₹10 each. Class EQ shareholder is eligible for one vote per share held and carry a right to dividend. EQ Class B equity shares rank pari passu in all respects with the Class EQ shares except to the voting rights.

Preference Shares: Every preference shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company.

### c) Details of shareholders holding more than 5% shares in the Company

| Name of Shareholder | Equity Shares | | | |
|---|---|---|---|---|
| | 30 June, 2026 | | 31 March, 2026 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mr. Harish Ahuja | 34,20,709 | 24.77% | 34,20,709 | 24.77% |
| HPA Business Trust | 97,21,216 | 70.38% | 97,21,216 | 70.38% |

### d) Details of shares held by Promoters

As at 30 June 2026:

| Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % Change during the year |
|---|---|---|---|---|
| Mr. Harish Ahuja | 34,20,709 | - | 34,20,709 | - |
| HPA Business Trust | 97,21,216 | - | 97,21,216 | - |

As at 31 March 2026:

| Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % Change during the year |
|---|---|---|---|---|
| Mr. Harish Ahuja | 34,20,709 | - | 34,20,709 | - |
| HPA Business Trust | 97,21,216 | - | 97,21,216 | - |

All amounts are in ₹ Crores, unless otherwise stated

## 12 Other equity

| Securities premium, capital reserve and capital redemption reserve | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Securities premium | 83.87 | 135.08 |
| Change during the year | - | (51.21) |
| | 83.87 | 83.87 |
| Capital reserve | 4.96 | 4.96 |
| Capital Redemption Reserve | 0.02 | 0.02 |
| **Total securities premium, capital reserve and capital redemption reserve** | **88.85** | **88.85** |

| Retained earnings | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Opening balance | 7,940.59 | 6,936.46 |
| Net profit for the year | 263.35 | 1,004.15 |
| Leases Ind AS impact | - | - |
| Preference shares redeemed during the year | - | (0.02) |
| Dividend paid | - | (0) |
| **Closing balance** | **8,203.94** | **7,940.59** |

| Other comprehensive income / (loss) | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| **Gains/(loss) on forward exchange contracts (net)** | | |
| Opening balance | (266.67) | - |
| Change during the year | 100.67 | (266.67) |
| **Closing balance** | **(166.00)** | **(266.67)** |
| **Fair value gain/(loss) on equity instruments designated at FVOCI (net)** | | |
| Opening balance | 32.60 | - |
| Change during the year | - | 32.60 |
| **Closing balance** | **32.60** | **32.60** |
| **Total other equity** | **8,159.39** | **7,795.37** |

All amounts are in ₹ Crores, unless otherwise stated

## 13 Financial liabilities - Non Current

### 13(i) Borrowings - Non Current

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Term loans from Banks (Secured)* [Refer note 15(i)] | 271.33 | 233.32 |
| **Total Borrowings - Non Current** | **271.33** | **233.32** |

*Term loans from banks bear interest at floating rates and are secured by a pari passu charge over the movable fixed assets. The loans are repayable over five to seven years in accordance with the terms of the respective loan agreements.

### 13(ii) Lease liability

| 30 June, 2026 | Current | Non- Current | Total |
|---|---|---|---|
| Lease liability (Refer note 34) | 12.75 | 75.19 | 87.94 |
| **Total lease liability** | **12.75** | **75.19** | **87.94** |

| 31 March, 2026 | Current | Non- Current | Total |
|---|---|---|---|
| Lease liability (Refer note 34) | 12.75 | 75.19 | 87.94 |
| **Total lease liability** | **12.75** | **75.19** | **87.94** |

## 14 Provisions

| 30 June, 2026 | Current | Non- Current | Total |
|---|---|---|---|
| **Provision for employee benefits** | | | |
| -Provision for gratuity | - | 238.94 | 238.94 |
| -Provision for leave encashment | 9.11 | 77.41 | 86.52 |
| **Total provisions** | **9.11** | **316.35** | **325.46** |

| Provisions | Current | 31 March, 2026 Non- Current | Total |
|---|---|---|---|
| **Provision for employee benefits** | | | |
| -Provision for gratuity | - | 209.81 | 209.81 |
| -Provision for leave encashment | 10.06 | 72.33 | 82.39 |
| **Total provisions** | **10.06** | **282.14** | **292.20** |

All amounts are in ₹ Crores, unless otherwise stated

## 15 Financial Liabilities - Current

### 15(i) Borrowings

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| **Secured** | | |
| From banks - working capital loan (Refer note a below) | 1,359.33 | 1,825.44 |
| Current maturities of non-current borrowings [Refer note b below] | 28.30 | 25.70 |
| **Total borrowings** | **1,387.63** | **1,851.14** |

**Note:**

a) Working capital loans from banks are secured by a pari passu charge over the Company's current assets.

b) Term loans from banks bear interest at floating rates and are secured by a pari passu charge over the movable fixed assets. The loans are repayable over five to seven years in accordance with the terms of the respective loan agreements.

### 15(ii) Trade payables

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 29) | 5.02 | 6.59 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 864.77 | 971.73 |
| **Total trade payables** | **869.79** | **978.32** |

### 15(iii) Other financial liabilities

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Interest accrued but not due on borrowings | 2.37 | 3.22 |
| Loans from related parties (Refer note 30) | 14.44 | 13.53 |
| Capital creditors | 9.95 | 28.67 |
| Book overdrafts | 14.61 | 128.51 |
| Retention money | 7.92 | 8.76 |
| Employee related payables | 420.33 | 365.12 |
| Derivative reserve on foreign exchange forward contracts | 166.01 | 266.67 |
| **Total other financial liabilities** | **635.63** | **814.48** |

### 16(i) Other non-current liabilities

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Deferred revenue arising from government grants | 26.43 | 26.20 |
| **Total other non-current liabilities** | **26.43** | **26.20** |

### 16(ii) Other current liabilities

| | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Deferred revenue arising from government grants | 4.44 | 4.67 |
| Advances from customers | 4.84 | 4.51 |
| Statutory dues | 61.00 | 61.67 |
| **Total other current liabilities** | **70.28** | **70.85** |

All amounts are in ₹ Crores, unless otherwise stated

## 17 Revenue from operations

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| a) Sale of finished goods | | |
| Exports | 2,499.62 | 8,686.33 |
| Domestic | 343.66 | 1,262.52 |
| b) Other operating revenue | | |
| Job work income | 13.23 | 39.06 |
| Export incentives | 155.77 | 577.55 |
| Scrap sale and others | 13.39 | 62.47 |
| **Total revenue from operations** | **3,025.67** | **10,627.93** |

## 18 Other income

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| Interest income from deposits with banks and others | 31.51 | 181.58 |
| Income: mutual fund | 0.19 | 1.98 |
| Income: dividend | 0 | 6.30 |
| Profit on sale/discard of property, plant & equipment | 1.13 | 1.95 |
| Foreign exchange gain (net) | 0.74 | 289.40 |
| Income on Financial Investments at fair value through profit and loss | - | 171.10 |
| Corporate guarantee income | 1.75 | 7.00 |
| Interest income from financial assets at amortized cost | - | 1.47 |
| Income related to subsidy on property, plant and equipment | - | 5.59 |
| Miscellaneous income | 1.34 | 8.13 |
| **Total other income** | **36.66** | **674.50** |

## 19 Cost of raw materials consumed

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| Inventory at the beginning of the year | 648.28 | 613.64 |
| Add: Purchases | 1,072.37 | 3,863.57 |
| Less: Inventory at the end of the year | 732.67 | 648.28 |
| **Total Cost of Raw materials consumed** | **987.98** | **3,828.93** |

**Total cost of raw materials consumed**

## 20 Purchase of stock-in-trade

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| Purchases (finished goods) | **507.49** | **1,192.04** |

## 21 Changes in inventories of finished goods and work-in-progress

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| **Inventory at the beginning of the year** | | |
| Work-in-progress | 395.55 | 353.57 |
| Finished goods | 480.10 | 453.12 |
| | **875.65** | **806.69** |
| **Inventory at the end of the year** | | |
| Work-in-progress | 345.24 | 395.55 |
| Finished goods | 549.73 | 480.10 |
| | **894.97** | **875.65** |
| **Total changes in inventories of finished goods, work-in-progress** | **(19.32)** | **(68.96)** |

All amounts are in ₹ Crores, unless otherwise stated

## 22 Employee benefits expense

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| Salaries and wages | 671.94 | 2,432.38 |
| Contribution to provident and other funds | 60.24 | 233.53 |
| Staff welfare expenses | 11.76 | 49.27 |
| **Total employee benefits expense** | **743.94** | **2,715.18** |

## 23 Research and development expenses

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| Material consumption | 14.63 | 37.64 |
| Employee benefits expense | 3.63 | 34.78 |
| Other expenses | 0.10 | 0.92 |
| Depreciation and amortization expense (Refer note 3) | 0.48 | 0.97 |
| **Total research & development expenses** | **18.84** | **74.31** |

## 24 Finance costs

| | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|
| Interest on borrowings | 33.09 | 131.44 |
| Interest on lease liabilities | - | 7.51 |
| Bank and finance charges | 2.54 | 8.63 |
| **Total finance costs** | **35.63** | **147.58** |

## 25 Other expenses

| | | For the period ended 30 June, 2026 | For the year ended 31 March, 2026 |
|---|---|---|---|
| Consumption of stores and spare parts | | 81.35 | 288.76 |
| Power and fuel | | 57.45 | 240.95 |
| Rent | | 21.47 | 80.54 |
| Repair and maintenance : | | | |
| Building | | 6.11 | 31.82 |
| Plant and machinery | | 11.59 | 41.38 |
| Others | | 12.54 | 54.03 |
| Insurance | | 2.05 | 16.32 |
| Rates and taxes | | 5.69 | 17.34 |
| Processing charges | | 146.89 | 628.83 |
| Advertisement, publicity and business promotion | | 0.84 | 3.56 |
| Freight & forwarding charges | | 48.76 | 298.02 |
| Communication expenses | | 4.24 | 18.03 |
| Travelling and conveyance | | 20.10 | 48.83 |
| Legal and professional charges (Refer note 28) | | 17.53 | 91.53 |
| Facility management expenses | | 7.56 | 44.80 |
| Bad debts written off | 8.44 | | |
| Less: charged off against allowances | 7.03 | - | 1.41 |
| Charity and donations | | 2.13 | 10.17 |
| Net loss on sale of shares | | - | 2.25 |
| Corporate social responsibility expenditure (Refer note 35) | | 6.81 | 28.47 |
| Sundry expenses | | 3.50 | 18.78 |
| **Total other expenses** | | **456.61** | **1,965.82** |

All amounts are in ₹ Crores, unless otherwise stated

| 26 | Contingent liabilities | 30 June, 2026 | 31 March, 2026 |
|---|---|---|---|
| i) | Bank guarantees | 5.82 | 5.54 |
| ii) | Outstanding corporate guarantees | 709.89 | 724.38 |
| iii) | Outstanding letters of credit | 33.47 | 63.66 |
| iv) | Claims against the Company not acknowledged as debts (Refer note a below) | | |
| | -Income tax | 35.53 | 35.53 |
| | -Sales tax, Goods and Service Tax | 11.60 | 11.60 |
| | -Others | 9.09 | 9.28 |
| | | **805.39** | **849.99** |

Note a) The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums.

Note b) The Company has provided a letter of comfort to a Bank providing credit facility to the group entity, Sarla Garments LLP. The said facility has been utilized to the extent of Rs 162.23 Crores (previous year: Rs 118.83 Crores). The Company has assessed that the probability of outflow of economic resources is very remote.

| 27 | Capital and other commitments | 30 June, 2026 | 31 March, 2026 |
|---|---|---|---|
| | Estimated amount of contracts remaining to be executed on capital account and not provided for (net off advances) | 32.09 | 45.84 |

**28 Auditor's remuneration (exclusive of GST)**

| Particulars | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Audit fees included in legal & professional charges (Refer note 25) | 0.03 | 0.03 |
| **Total** | **0.03** | **0.03** |

**29 Trade payables to Micro and Small Enterprises**

There are no overdue amount outstanding on Micro Enterprises & Small Enterprises as on 30 June 2026 and 31 March 2026. There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

All amounts are in ₹ Crores, unless otherwise stated

## 30 Related party disclosure

### A. List of Related Parties

**i) a) Entities in which the Key Management Personnel and their relatives exercised significant influence**

A P Properties Private Limited
AAA Real Estate Private Ltd.
AAHP Consultants LLP
AAPH CONSULTANTS LLP
AHP Infrastructure LLP
AHP Properties Private Ltd.
AMA Real Estate Private Ltd.
AMA Softech P Ltd
APH Garments (P) Ltd.
Bellevista Entertainment And Health Private Limited
Boxout.FM Private Limited
Bhaane Studio Limited (erstwhile Camp In Limited)
Dwarka Das & Sons Chit Funds Private Ltd.
Express Distributors Private Ltd.
Friends Chemicals . P Ltd.
MSH Properties Private Limited
Garmex India Private Ltd.
H.A. Garments LLP
H.A. Infrastructure Private Ltd.
H.A. Town & Country Planners LLP
H.A.Developers Private Ltd.
H.A.Solution (India) Private Ltd.
H.S.A Engineers & Contractors Private Ltd
HA & SA Developers Private Ltd.
HA Educational Academy Private Ltd
HA Fashions Private Ltd.
HA Realtors LLP
HA Softech Private Ltd.
HAP Properties Private Ltd.
HAP Realtors Private Ltd.
HPA Apparel Private Ltd
HPA Garment Private Ltd
HPAA Realtech LLP
HSA Builders LLP
H.A. Investments Private Limited
SMF Builders Private Limited
AP Apparel Private Limited
PHA Textiles Private Limited
Shahi Blue Jeans Pvt Ltd
Lakshmi Sadan Estate Holdings Ltd (wholly owned subsidiary of Shahi Properties Limited)
HA Property Solutions Private Limited (formerly known as Vijal Holding and Trading Private Limited)
HSA Infrastructure LLP
Imperial Estates Private Ltd.
K.M.Properties & Investment Private Ltd.
M F Builders Private Ltd.
M.F Garment Private Limited
M.F.Properties Private Ltd.
P.H.Estates Private Ltd.
PHA Properties LLP
PHAA Realtech LLP
Radiant Properties Private Ltd.
S E H Infrastructure Private Ltd
S EH Apparel (India) Private Ltd.
S EH Relators LLP
S R (India) Export Private Ltd.
S.M.Landbase Private Ltd
SA Developers Private Ltd.
SA Educational Systems Private Ltd
Sarla Hosiery & Apparel P ltd
SEH Hotels & Resorts LLP
SEH Investments Private Ltd.
SFG Construction Private Ltd
SFG Developers Private Ltd.
Shahi Mills Private Ltd.
Shahi Sterling Exports Private limited
Shahi Textiles Private Ltd.
Shanra (India) Private Ltd.
SHP Apparel Private ltd
SMA City Developers Private Ltd.
SMA Fashion Private Ltd.
SMA Properties Private Ltd.
SSH Garments (P) Ltd.
Yugal Chit Fund & Trad. Co. Private Ltd.
Solution Software (India) Private Limited
SMA Infrastructure Private Limited
Shahi Designs Private Limited
Shahi Outdoor Private Limited
Shahi Denim Private Limited
Shahi Cross-Hatch Pvt Ltd
Shahi Designtech Pvt Ltd
Homecourt India Private Limited [erstwhile PHA Garments Private Limited]

**i) b) Entities in which the Key Management Personnel and their relatives exercised significant and with whom transactions have taken place during the year.**

Delhi Brass and Metal Works Private Limited
HAP Apparel Private Limited
Safepack Lamination & Liners Private Limited
Rais Marketing Private Limited
Garmex (Ind) Apparel LLP
AHS Fashions Clothing Private Limited
HSS Apparel Private Ltd.
SMF Infrastructure Pvt Ltd
Mode Prints Private Limited
Sarla Garments LLP
SMA Foods & Beverages Private Limited
Bhaane Retail Private Limited (erstwhile Camp India Private Limited)
P.A. Real Estate Private Limited
Shahi Garments Private Limited
Arvesta Financial Services Private Limited (erstwhile Neo Investment and Finserv Services Private Limited)
Apparel Export Promotion Council
SFG Exports (India) Private Limited
HSS Real Estate Private Limited
SAP Estates Private Limited
Atlast Sportwear Inc.
Bhaane Studio Private Limited (erstwhile Camp SMA Private Limited)
Oriental South Delhi Hotels Private Limited
Shahi Fabrics Pvt. Ltd.
Shahi Apparel Private Limited
Good Business Lab Foundation
Creativity Apparel Inc.
Sewtech Fashions Limited (subsidiary of PHA Apparel Private Limited)
Apparel Made-ups and Home Furnishing Sector Skill Council
HPAA Good Deed Foundation
Shahi Creations Private Limited
ShaLit Private Limited (wholly owned subsidiary of Shahi Knits Private Limited)

**ii) Key management personnel & their Relatives**

Mr. Harish Ahuja, Director
Ms. Sarla Ahuja (Mother of Mr. Harish Ahuja)
Ms. Priya Ahuja (Wife of Mr. Harish Ahuja)
Mr. Anand Ahuja (Son of Mr. Harish Ahuja)
Mr. Anant Ahuja (Son of Mr. Harish Ahuja), Director
Mr. Jalandhar Dattubuwa Giri, Director
Mr.Vinod Kumar Bhardwaj, Director
Mr. Ramanujam Venkat Raghavan, Director
Mr. Anbazhagan Theerthagiri, Director
Mr. Deepak Puttireddy (wef 30 January 2026)
Mr. Srikanth Narisetty (wef 13 February 2026)
Mr. Buttianda Kishen Cariappa (wef 13 February 2026)
Mr. Palghat Balakrishnan Anandapadmanabhan
Mr. Alagappan Rajendran
Mr. Thaiyalbagam Ramalingam
Mr. Rakesh Kumar, Company Secretary
Mr. Balakrishna Shetty, Director (upto 13 February 2026)
Mr. T Venkataramanan, Director (upto 30 September 2025)

**iii) Wholly owned subsidiaries**

AHP Garments Private Limited
AHP Apparel Private Limited
HSS Textile Private Limited
HSA Apparel Private Limited
PHA Apparel Private Limited
Shahi Knits Private Limited
Avinya General Insurance Limited
Shahi Properties Limited
Shahi Realty Limited (erstwhile SKA UN Limited upto 08 April 2026)
Shahi Infra Limited

**Trust**

i) Shahi Exports Gratuity Trust
ii) HPA Business Trust

All amounts are in ₹ Crores, unless otherwise stated

B. Details of transactions with related parties :

For the period ended 30 June, 2026:

| Particulars | Key Managerial Personnel & Their Relatives | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Sale of goods | - | 165.53 | 165.53 |
| Sales of fixed assets | - | 0 | 0.00 |
| Corporate guarantee commission | - | 1.75 | 1.75 |
| Interest income | - | 6.94 | 6.94 |
| Rental income | - | 0.38 | 0.38 |
| | | | |
| Purchases including goods in transit | - | 392.00 | 392.00 |
| Job work | - | 122.31 | 122.31 |
| Rendering of manpower services, professional service and other expenses | - | 9.13 | 9.13 |
| Rent paid | - | 0.58 | 0.58 |
| | | | |
| Loan given by Company | - | 424.61 | 424.61 |
| Loan given repaid | - | 449.22 | 449.22 |
| | | | |
| Loan taken by Company | 11.38 | - | 11.38 |
| Loan taken repaid | 10.48 | - | 10.48 |
| | | | |
| Investment in preference shares | - | 1.88 | 1.88 |
| Professional Fees | 0.04 | - | 0.04 |
| Key managerial & their relatives remuneration* | 38.83 | - | 38.83 |
| | | | |
| ***Total*** | **60.74** | **1,574.32** | **1,635.06** |

For the year ended 31 March, 2026:

| Particulars | Key Managerial Personnel & Their Relatives | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Sale of goods | - | 517.03 | 517.03 |
| Sales of licence | - | 11.93 | 11.93 |
| Sales of fixed assets | - | 0.07 | 0.07 |
| Corporate guarantee commission | - | 7.00 | 7.00 |
| Interest income | - | 19.90 | 19.90 |
| Rental Income | - | 2.33 | 2.33 |
| | | | |
| Purchases including goods in transit | - | 1,127.49 | 1,127.49 |
| Job work | - | 494.44 | 494.44 |
| Purchase of Fixed Assets | | 0.49 | 0.49 |
| Rendering of manpower services, professional service and other expenses | - | 23.23 | 23.23 |
| Commission paid | - | 9.53 | 9.53 |
| Rent paid | - | 2.41 | 2.41 |
| | | | |
| Loan given by Company | - | 1,548.15 | 1,548.15 |
| Loan given repaid | - | 1,903.93 | 1,903.93 |
| | | | |
| Loan taken by Company | 40.39 | - | 40.39 |
| Loan taken repaid | 143.03 | - | 143.03 |
| | | | |
| Dividend | - | 0 | 0 |
| Donation given | - | 7.45 | 7.45 |
| Investment in preference shares | - | 35.75 | 35.75 |
| Investment in equity shares | - | 0.04 | 0.04 |
| Professional Fees | 0.17 | - | 0.17 |
| Key managerial & their relatives remuneration* | 155.34 | - | 155.34 |
| Contribution to gratuity trust | - | 30.00 | 30.00 |
| | | | |
| ***Total*** | **338.93** | **5,741.17** | **6,080.09** |

*As the liability for gratuity and leave encashment is provided for the Company as a whole, the gratuity and leave encashment amount pertaining to the key management personnel is not disclosed separately.

All amounts are in ₹ Crores, unless otherwise stated

C. Outstanding balances :

As on 30 June, 2026:

| Particulars | Key Managerial Personnel | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Loan given by Company | - | 1,151.12 | 1,151.12 |
| Loan taken by Company | 14.44 | - | 14.44 |
| Professional Fees | 0.01 | - | 0.01 |
| KMP remuneration payable | 2.94 | - | 2.94 |
| | | | |
| Trade receivables | - | 99.02 | 99.02 |
| Trade payables | - | 409.86 | 409.86 |
| | | | |
| Interest recievable | - | 7.00 | 7.00 |
| Corporate guarantee outstanding | - | 709.89 | 709.89 |
| | | | |
| **Total** | **17.39** | **2,376.88** | **2,394.27** |

As on 31 March, 2026:

| Particulars | Key Managerial Personnel | Associates/ Subsidiary/ Trust | Total |
|---|---|---|---|
| Loan given by Company | - | 1,175.73 | 1,175.73 |
| Loan taken by Company | 13.53 | - | 13.53 |
| Professional Fees | 0.01 | - | 0.01 |
| KMP remuneration payable | 2.74 | - | 2.74 |
| | | | |
| Trade receivables | - | 106.16 | 106.16 |
| Trade payables | - | 350.30 | 350.30 |
| | | | |
| Interest recievable | - | 5.94 | 5.94 |
| Corporate guarantee outstanding | - | 724.38 | 724.38 |
| | | | |
| **Total** | **16.28** | **2,362.51** | **2,378.79** |

All amounts are in ₹ Crores, unless otherwise stated

## 31 Fair value measurements

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

### (a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at 30 June, 2026 and 31 March, 2026.

| | 30 June 2026 | | | 31 March 2026 | | |
|---|---|---|---|---|---|---|
| | Fair value through Profit & Loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortized Cost | Fair value through Profit & Loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortized Cost |
| **Financial assets** | | | | | | |
| (i) Investments (other than investments in subsidiaries) | 3,623.22 | - | 242.27 | 2,996.31 | 565.43 | 256.03 |
| (ii) Loans | - | - | 1,237.20 | - | - | 1,265.06 |
| (iii) Trade receivables | - | - | 2,474.65 | - | - | 2,639.71 |
| (iv) Cash and cash equivalents including other bank balances | - | - | 203.99 | - | - | 293.29 |
| (v) Security deposits | - | - | 55.01 | - | - | 54.55 |
| (vi) Other financial assets | - | - | 36.37 | - | - | 44.61 |
| **Total Financial assets** | **3,623.22** | **-** | **4,249.49** | **2,996.31** | **565.43** | **4,553.25** |
| **Financial liabilities** | | | | | | |
| (i) Borrowings | - | - | 1,658.96 | - | - | 2,084.46 |
| (ii) Lease liability | - | - | 87.94 | - | - | 87.94 |
| (iii) Trade payables | - | - | 869.79 | - | - | 978.32 |
| (iv) Foreign Exchange Forward Contracts | - | 166.01 | - | - | 266.67 | - |
| (v) Other financial liabilities | - | - | 469.63 | - | - | 547.81 |
| **Total Financial liabilities** | **-** | **166.01** | **3,086.31** | **-** | **266.67** | **3,698.53** |

**Financial instruments at amortized cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

All amounts are in ₹ Crores, unless otherwise stated

**(b) Fair value hierarchy**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices.

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs).

| Financial assets and liabilities measured at fair value - recurring fair value measurements At 30 June 2026 | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| *Financial Investments at FVTPL* | | | | | |
| Investments in equity instruments | 8(i) | 3,623.22 | - | - | 3,623.22 |
| *Financial Investments at FVOCI* | | | | | |
| Investments in equity instruments | 8(i) | - | - | - | - |
| **Total financial assets** | | **3,623.22** | **-** | **-** | **3,623.22** |
| **Financial liabilities** | | | | | |
| *Financial Investments at FVOCI* | | | | | |
| Foreign exchange forward contracts | 15(iii) | - | 166.01 | - | 166.01 |
| **Total financial liabilities** | | **-** | **166.01** | **-** | **166.01** |

| Financial assets and liabilities measured at fair value - recurring fair value measurements At 31 March 2026 | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| *Financial Investments at FVTPL* | | | | | |
| Investments in equity instruments | 8(i) | 2,996.31 | - | - | 2,996.31 |
| *Financial Investments at FVOCI* | | | | | |
| Investments in equity instruments | 8(i) | 565.43 | - | - | 565.43 |
| **Total financial assets** | | **3,561.74** | **-** | **-** | **3,561.74** |
| **Financial liabilities** | | | | | |
| *Financial Investments at FVOCI* | | | | | |
| Foreign exchange forward contracts | 15(iii) | - | 266.67 | - | 266.67 |
| **Total financial liabilities** | | **-** | **266.67** | **-** | **266.67** |

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
(ii) Foreign exchange forward contracts are fair valued using market observable rates and published prices where applicable.
(iii) Management uses its best judgement in estimating the fair value of its financial instruments.

**All amounts are in ₹ Crores, unless otherwise stated**

## 32 Financial risk management objectives and policies

The Company's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans, investments, cash & cash equivalents and other financial assets, which arise directly from its operations. The Company enters into derivative transactions by way of forward exchange contracts to hedge its receivables. The Board of Directors reviews the financial position and financial performance on periodic basis. The evaluation of various types of risks applicable to Company have been explained below:

### (i) Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes.

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has availed term loans under Technology Upgradation Fund (TUF) scheme bearing fixed interest rate. Further, Company has also availed various working capital loans bearing floating interest rate. The risk of change in interest rate is moderate and will not have much impact on the profit before tax.

| Particulars | Increase/(decrease) in basis points | Effect on profit before tax |
|---|---|---|
| 30 June, 2026 | 50 | 1.95 |
| 31 March, 2026 | 50 | 7.73 |

- **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company manages its foreign currency risk through entering into forward exchange contracts. Therefore, risk on account of change in foreign exchange rates is low.

### (ii) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The loans given by the Company majorly constitutes of loans to wholly owned subsidiary and there is no risk regarding its recoverability.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### (iii) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and securities, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following table shows a maturity analysis of the anticipated cash flows for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

| Particulars | 0-1 year | > 1 year | Total |
|---|---|---|---|
| **30, June 2026** | | | |
| Borrowings | 1,387.63 | 271.33 | 1,658.96 |
| Trade payables | 869.79 | - | 869.79 |
| Lease liability | 12.75 | 75.19 | 87.94 |
| Other financial liabilities | 635.63 | - | 635.63 |
| | **2,905.80** | **346.52** | **3,252.32** |

All amounts are in ₹ Crores, unless otherwise stated

| Particulars | 0-1 year | > 1 year | Total |
|---|---|---|---|
| **31, March 2026** | | | |
| Borrowings | 1,851.14 | 233.32 | 2,084.46 |
| Trade payables | 978.32 | - | 978.32 |
| Lease liability | 12.75 | 75.19 | 87.94 |
| Other financial liabilities | 814.48 | - | 814.48 |
| | **3,656.69** | **308.51** | **3,965.20** |

**(iv) Equity Price risk**

Equity Price Risk is related to the change in fair value of the investments in equity securities. Company's investments in equity securities are subject to changes in fair value of investments. The carrying value of investments represents the maximum equity risk.

**33 Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and long term and short term bank borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings.

| Credit risk | 30 June, 2026 | 31 March, 2026 |
|---|---|---|
| Trade receivables | 2,474.65 | 2,639.71 |
| Balances with bank, bank deposits | 203.99 | 293.29 |
| Investments other than investments in subsidiaries | 3,865.49 | 3,817.77 |
| Other financial assets | 91.38 | 99.16 |
| Loans | 1,237.20 | 1,265.06 |
| **Total** | **7,872.72** | **8,114.99** |

**34 Leases**

**Company as lessee**

The Company has adopted Ind AS 116 "Leases" and applied the standard to lease contracts by recognizing a lease liability at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate and recognizing a right-of-use asset at an amount equal to the lease liability.

The nature of expenses in respect of operating leases has changed from lease rent to depreciation and amortisation on right of use asset and finance cost for interest accrued on lease liability. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases (including low-value lease assets) was Rs. 21.47 Crores (previous year: Rs 80.54 Crores).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

**35** The Company has spent Rs 6.81 Crores (previous year: Rs 28.47 Crores) towards Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013 (Refer note 25).

**All amounts are in ₹ Crores, unless otherwise stated**

**36** During the financial year 2023–24, a fire occurred at the Company's Ghaziabad processing mill resulting in assessed damage of inventory to the extent of Rs 24.12 Crores net of salvage value. Against the said loss, Company received an insurance claim settlement of Rs 14.69 Crores during the financial year 2024–25. The balance claim amount remains under consideration, and the Company continues to pursue recovery thereof.

**37** Previous year figures have been reclassified to conform to current year's classification.

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **J.D. Giri** | **Vinod K. Bhardwaj** |
| (Director) | (Director) |
| DIN: 00047490 | DIN: 00057037 |

**Sd/-**
**Rakesh Kumar**
(Company Secretary)
ACS: 21913

Place: Faridabad
Date: 02 November 2026

PMSS & CO.
CHARTERED ACCOUNTANTS

Office Add. : 118 B, G. F., Sector- 30-33, Indraprastha Colony, Faridabad -121003

Ph. : 0129 - 4108211 Mob. : 9811797396
e-mail : camishrajipuneet@gmail.com

Date .....

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Shahi Knits Private Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

1. We have audited the accompanying standalone financial statements of **Shahi Knits Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 it's profit including total comprehensive income, its cash flows and changes in equity for the year then ended.

**Basis for Opinion**

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs"), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 ("the ICAI") 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.

**Other Information**

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

P M S S & CO
M No. 091331
CHARTERED ACCOUNTANTS

6. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the standalone financial statements**

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.

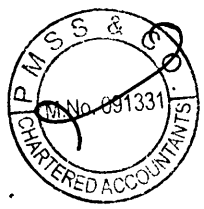
8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate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

**Auditors' Responsibilities for the Audit of the standalone financial statements**

9. 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.

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

    a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of 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.

b) 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 controls with reference to financial statements in place and the operating effectiveness of such controls.

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

d) Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) 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.

11. 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.

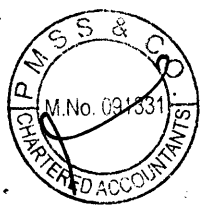
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related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

**Report on Other Legal and Regulatory Requirements**

13. As required by the Companies (Auditor's Report) Order, 2020 ('the order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable in the case of the Company.

14. 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.



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

c) The Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of cash flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.

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

g) With respect to the adequacy of the internal controls over financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.

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

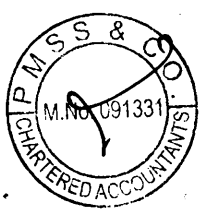
i. The Company does not have any pending litigations which would impact on its financial position in its standalone financial statements.

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

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity (ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on



behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

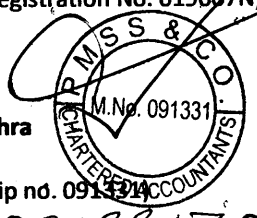
v. The company has not declared or paid any dividend during the year

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

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

**For PMSS & Co.**
Chartered Accountants
(ICAI Firm Registration No. 019667N)




**Puneet Mishra**
Partner
(Membership no. 091331)
UDIN: 26091331ZOGSY51032
Place: FARIDABAD
Date: 01/09/2026

**Annexure A to Independent Auditor's Report**

Referred to in paragraph 13 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Standalone Financial Statements of Shahi Knits Private Limited

(i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant & equipment).

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

(b) Fixed assets were physically verified by the management during the year in accordance with a planned programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee) 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) and Intangible assets 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 which have been initiated during the year or are pending against the Company as at 31st March 2026 for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during any point of time of the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has made investments and has provided guarantees or granted any loans or advances in the nature of loans, secured or unsecured, and has not provided security to companies as follows:

| *Particulars* | *Guarantees (Rupees in lacs)* |
|---|---|
| Aggregate amount granted during the year | - |
| Balance outstanding as on March 31 ,2026 | 8.12 |

(b) The Company has made investments and the terms and conditions of all the above-mentioned guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c ) The Company has granted loans or advances, in the nature of loans, repayable on demand or without specifying any terms or period for repayment, during the year. Accordingly, clause (iii)(c) to (iii)(e) of the order are not applicable to the Company.



| *Particulars* | *Loan (Rupees in lacs)* |
|---|---|
| Aggregate amount granted during the year | 1 |
| Total Loan given to related parties as on March 31,2026 | 1 |
| Percentage to total loan granted | 100% |

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of products manufactured by the Company and are of the opinion that prima facie, the Company is not require to maintain cost records and hence, clause (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, the statutory dues referred to in sub-clause (a) as at March 31, 2026 have been regularly deposited.

(c) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of tax are as follows.

| **Name of the Statute** | **Nature of dues** | **Amount demanded (In lacs)** | **Amount Paid (In lacs)** | **Period to which amount relates** | **Forum where the dispute is pending** |
|---|---|---|---|---|---|
| GST Act | GST | 109 | 109 | FY 22-23 | Commissioner (GST) |

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

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

P M S S & Co. M No. 091331 CHARTERED ACCOUNTANTS

(c) To the best of our knowledge and belief, in our opinion, the Company has applied the term loans for the purpose for which it was obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima-facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit. Accordingly, the requirement to report on clause 3(xi)(a) of the Order is not applicable to the Company.

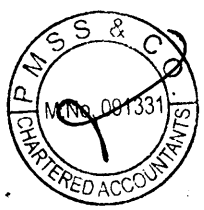
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the requirement to report on clause 3(xi)(b) of the Order is not applicable to the Company.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures. Accordingly, the requirement to report on clause 3(xi)(c) of the Order is not applicable to the Company.

(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 the related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and the details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.

(xiv) Based on information and explanations provided to us and our audit procedures, in our opinion, the clause 3(xiv) (a) and (b) on internal audit is not applicable.



(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 Companies Act, 2013 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) According to the information and explanations provided to us, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) of the Order is 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 realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.

(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 Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For PMSS & Co.**
Chartered Accountants
ICAI Firm Registration Number: 019667N

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

**Puneet Mishra**
Partner
Membership Number: 091331
Place: FARIDABAD
Date: 01/09/2026

**Annexure B to Independent Auditor's Report**

[Referred to in paragraph 14(g) under "Report on other legal and regulatory requirements" section of our report of even date on the Standalone Ind AS Financial Statements of Shahi Knits Private Limited]

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

We have audited the internal financial controls over financial reporting of Shahi Knits Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

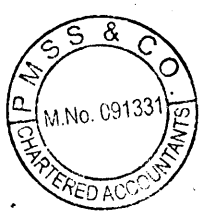
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.



**Meaning of Internal Financial Controls over Financial Reporting with Reference to these Standalone Ind AS Financial Statements**

A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

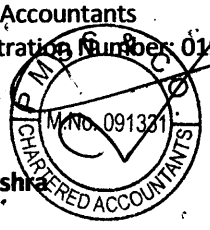
**Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Standalone Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

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

**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N




**Puneet Mishra**
Partner
Membership Number: 091331
Place: FARIDABAD
Date: 01/09/2026

**SHAHI KNITS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17299HR2022PTC141698**
**STANDALONE BALANCE SHEET AS AT MARCH 31, 2026**

*Rupees in Lakhs*

| Particulars | Notes | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current assets** | | | |
| Property, plant and equipment | 3 | 9,642.70 | 7,692.01 |
| Intangibles assets | 3 | 3.14 | 8.54 |
| Capital Work in Progress | 3(i) | - | 153.51 |
| Financial Assets | 4 | | |
| (i)Investments | 4(i) | 1.00 | 1.00 |
| (ii)Other non-current financial asset | 4(ii) | 235.39 | 233.94 |
| Other non-current assets | 5 | 148.38 | 20.49 |
| **Total non-current assets** | | **10,030.61** | **8,109.49** |
| **Current assets** | | | |
| Inventories | 6 | 704.52 | 1,087.21 |
| Financial assets | 7 | | |
| (i) Trade receivables | 7(i) | 1,147.73 | 8,996.79 |
| (ii) Cash and cash equivalents | 7(ii) | 22.75 | 2.41 |
| (iii) Bank balance other than (i) above | 7(iii) | - | 8.12 |
| (iv) Investments | 7(iv) | 1,557.89 | - |
| (v) Other financial assets | 7(v) | - | 1,395.47 |
| Current tax assets(net) | 8 | 210.32 | 244.95 |
| Other current assets | 9 | 668.94 | 533.44 |
| **Total current assets** | | **4,312.15** | **12,268.39** |
| **Total assets** | | **14,342.76** | **20,377.88** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Equity share capital | 10 | 1.00 | 1.00 |
| Other equity | 11 | (4,660.21) | (4,201.63) |
| **Total Equity** | | **(4,659.21)** | **(4,200.63)** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial Liabilities | | | |
| (i)Borrowings | 12 | 2,797.10 | - |
| Provisions | 13 | 221.12 | 166.22 |
| **Total non-current liabilities** | | **3,018.22** | **166.22** |
| **Current liabilities** | | | |
| Financial Liabilities | 14 | | |
| (i) Borrowings | 14(i) | 14,417.52 | 22,496.70 |
| (ii) Trade Payables | 14(ii) | | |
| Total outstanding dues of micro enterprises and small enterprises | | 468.86 | 308.78 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 319.78 | 527.14 |
| (iii) Other Financial Liabilities | 14(iii) | 727.51 | 1,034.07 |
| Other current Liabilities | 15 | 43.25 | 45.60 |
| Provisions | 13 | 6.83 | - |
| **Total current liabilities** | | **15,983.75** | **24,412.29** |
| **Total equity and liabilities** | | **14,342.76** | **20,377.88** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date.

**For PMSS & Co.**
Chartered Accountants
Firm Regn No. 019867N

M.S. & CO. M.No. 091331 CHARTERED ACCOUNTANTS

**Puneet Mishra**
Partner
Membership No. 091331
Place: Faridabad
Date: 19/2/26

**For and on Behalf of The Board of Directors of Shahi Knits Private Limited**

**Sumit Khatri**
**(Director)**
**DIN - 09538536**

**Punish Katyal**
**(Director)**
**DIN - 10819686**

**SHAHI KNITS PRIVATE LIMITED**

**CORPORATE IDENTIFICATION NUMBER - U17299HR2022PTC141698**

**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH, 2026**

*Rupees in Lakhs*

| Particulars | Note | For the period ended March 31, 2026 | For the period ended March 31, 2025 |
|---|---|---|---|
| **Income** | | | |
| Revenue from Operations | 16 | 10,506.36 | 9,876.21 |
| Other income | 17 | 257.49 | 1,332.74 |
| **Total income** | | **10,763.85** | **11,208.95** |
| | | | |
| **Expenses** | | | |
| Cost of raw materials consumed | 18 | 3,706.74 | 3,201.77 |
| Changes in Inventories of Finished Goods Work in Progress & Stock in Trade | 19 | (39.56) | 26.01 |
| Employee benefits expense | 20 | 2,523.25 | 2,445.41 |
| Finance Costs | 21 | 103.16 | 8.59 |
| Depreciation and Amortization Expenses | 3 | 1,431.52 | 1,398.75 |
| Other Expenses | 22 | 3,497.32 | 3,635.66 |
| **Total Expenses** | | **11,222.43** | **10,716.19** |
| | | | |
| **Profit/(Loss) before tax** | | **(458.58)** | **492.76** |
| | | | |
| **Tax Expense:** | | | |
| Current tax | | - | - |
| | | | - |
| **Profit/(Loss) for the period** | | **(458.58)** | **492.76** |
| | | | |
| **Other Comprehensive Income** | | | |
| | | | |
| **Total Comprehensive income/(loss) for the period** | | **(458.58)** | **492.76** |
| **Earning per Share of Rs 10 each** | | | |
| Basic & Diluted (in Rs) | | **(4,585.8)** | **4,927.6** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date.

**For PMSS & Co.**
Chartered Accountants
Firm Regn No. 019667N

**Puneet Mishra**
Partner
Membership No. 091331
Place: Faridabad
Date: 01/09/2026

**For and on Behalf of The Board of Directors of Shahi Knits Private Limited**

**Sumit Khatri**
**(Director)**
**DIN - 09538536**

**Punish Katyal**
**(Director)**
**DIN - 10819686**

**SHAHI KNITS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17299HR2022PTC141698**
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2026**

*Rupees in Lakhs*

**a Equity Share Capital**

| Particulars | Number | Amount |
|---|---|---|
| **As at March 31, 2024** | **10,000** | **1.00** |
| Issued during the period | - | - |
| **As at March 31, 2025** | **10,000** | **1.00** |
| Issued during the period | - | - |
| **As at March 31, 2025** | **10,000** | **1.00** |

**b Other Equity**

| Particulars | Retained Earnings | Total |
|---|---|---|
| **Balance as at March 31, 2024** | **(4,694.39)** | **(4,694.39)** |
| Profit/(Loss) for the period | 492.76 | 492.76 |
| **Balance as at March 31, 2025** | **(4,201.63)** | **(4,201.63)** |
| | | - |
| Profit/(Loss) for the period | (458.58) | (458.58) |
| Other Comprehensive Income | - | - |
| **Balance as at March 31, 2026** | **(4,660.21)** | **(4,660.21)** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date attached
**For PMSS & Co.**
Chartered Accountants
Firm Regn No. 019667N

**Puneet Mishra**
Partner
Membership No. 091331
Place: Faridabad
Date: 01/09/2026

**For and on Behalf of The Board of Directors**
**of Shahi Knits Private Limited**

**Sumit Khatri**
**(Director)**
**DIN - 09538536**

**Punish Katyal**
**(Director)**
**DIN - 10819686**

**SHAHI KNITS PRIVATE LIMITED**

**CORPORATE IDENTIFICATION NUMBER - U17299HR2022PTC141698**

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31 , 2026**

*Rupees in Lakhs*

| | Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| A | **Cash From Operating Activities** | | |
| | **Net (Loss)/Profit Before Tax and Extraordinary Items** | **(458.58)** | **492.76** |
| | **Adjusted for:** | | |
| | Depreciation and Amortization | 1,431.52 | 1,398.75 |
| | (Profit) /Loss on Sale of Assets | (54.15) | (26.45) |
| | Interest Expense/Finance Charges | 103.16 | 8.59 |
| | Interest Income | (25.24) | (41.17) |
| | Income from Mutual Funds | (176.02) | - |
| | **Operating Profit/(Loss) Before Working Capital Change** | **820.69** | **1,832.48** |
| | Adjustment for: | | |
| | (Increase)/Decrease in Debtors | 7,849.06 | 4,958.70 |
| | (Increase)/Decrease in Other Current and financial Assets | 1,049.23 | (1,693.83) |
| | (Increase)/Decrease in Inventories | 382.69 | (711.85) |
| | Increase/(Decrease) in Creditors | (47.28) | (241.32) |
| | Increase/(Decrease) in Current and financial Liabilities | (430.09) | 673.91 |
| | Increase/(Decrease) in Provisions | 61.73 | 37.45 |
| | **Cash Generated From Operations** | **9,686.03** | **4,855.54** |
| | (Taxes Paid) /Net of Refund | 244.90 | 174.42 |
| | **Net Cash From Operations** | **9,930.93** | **5,029.96** |
| B | **Cash Flow From Investing Activities** | | |
| | Purchase of Fixed Assets ( Including CWIP) | (3,277.42) | (1,398.97) |
| | Sale Proceeds of Fixed Assets | 108.25 | 94.74 |
| | Interest Income Received | 25.64 | 40.70 |
| | Investments | (1,381.87) | - |
| | Other non current assets | (129.34) | - |
| | **Net Cash From Investing Activities** | **(4,654.73)** | **(1,263.53)** |
| C | **Cash Flow From Financing Activities** | | |
| | Proceeds/ (Repayment) of Short term Borrowings (net) | (8,079.18) | (4,570.31) |
| | Proceeds/ (Repayment) of Long term Borrowings (net) | 2,797.10 | - |
| | Loans given/Paid during the year | - | 510.00 |
| | Interest Paid | (86.87) | (8.59) |
| | **Net Cash From Financing Activities** | **(5,368.90)** | **(4,068.90)** |
| D | **Net Increase/(Decrease)in Cash and Cash Equivalents** | **(92.71)** | **(302.47)** |
| E | **Opening Balance of Cash And Cash Equivalents** | **(121.56)** | **180.91** |
| F | **Closing Balance of Cash And Cash Equivalents** | **(214.27)** | **(121.56)** |

| | | | |
|---|---|---|---|
| | **Cash and cash equivalents comprises:** | | |
| | Cash on hand | 0.27 | 0.35 |
| | Balance with banks | (214.54) | (121.91) |
| | (Refer note 7(ii), 7(iii) and 14 (iii) for components of cash and cash equivalents) | **(214.27)** | **(121.56)** |

As per our report of even date.

**For PMSS & Co.**

Chartered Accountants

Firm Regn No. 0126671

**Puneet Mishra**
Partner
Membership No. 091331
Place: Faridabad
Date: 01/09/2026

**For and on Behalf of The Board of Directors of Shahi Knits Private Limited**

**Sumit Khatri**
**(Director)**
**DIN - 09538536**

**Punish Katyal**
**(Director)**
**DIN - 10819686**

**SHAHI KNITS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17299HR2022PTC141698**
**Notes to Financial Statements for year ended March 31, 2026**

## 1 General Information

The company is primarily engaged in the business of Fabric processing , designing, manufacturing and selling, wide range of fabric items and garments

## 2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of the Company. These policies have been consistently applied to all the periods presented.

### 2.1 Basis of preparation of financial Statements

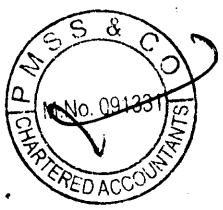
**Compliance with Indian Accounting Standard (Ind AS) and Historical cost convention**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III of the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

These Ind AS financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values. The Ind AS financial statements are presented in Indian rupees (Rs).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Use of Estimates**
The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.



## 2.2 Current/Non-Current Classification

Any Asset/Liability is classified as current, if it satisfies any of the following criteria:

(a) it is expected to be realized/settled in the company's normal operating cycle;
(b) it is expected to be realized/settled within twelve months after the reporting date;
(c) In the case of an asset :
-It is held primarily for the purpose of being traded
-It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
(d) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

All other assets/liabilities are classified as non-current.

## 2.3 Property, plant and equipment

Land is carried at historical cost and is not depreciated. Capital work in progress (CWIP) comprises of the cost of assets not ready for intended use as on the Balance sheet date. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of asset and recognised in profit or loss.

Depreciation is provided on a pro-rata basis using written down value (WDV) method based on useful lives of the assets estimated by the management which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.



**Intangible assets**

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets relating to Computer Software are depreciated over the estimated useful lives which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013 commencing from the date that they are available for use.

## 2.4 Inventories

Raw materials, packing materials, stores, spares, consumables and other material are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.

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

## 2.5 Revenue recognition

**i) Revenue from contracts with customers**

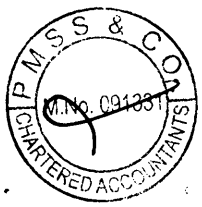
Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Company is generally the principal as it typically controls the goods before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

**ii) Interest income**

Interest Income is recognized, when it is probable that the economic benefits will flow to the Company, on a time proportion basis taking into account the outstanding amount and the applicable interest rate.



## 2.6 Government Grants and Export incentives

Government Grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is netted off with the relevant expense. Where the grants relates to an asset, it is recognized as income over the expected useful life of the related assets.

Export incentives are recognised on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the Company will comply with the conditions attached to them.

## 2.7 Foreign currency transactions

**Functional Currency**
The functional currency of the company is the Indian Rupee.

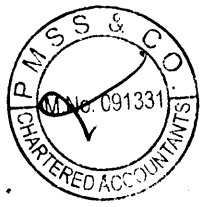
**Transactions and translations**
Transactions in foreign currencies are translated at the exchange rates prevailing on the date of transaction. Foreign exchange gains and losses resulting from the settlement of transaction in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currency at period end exchange rates are generally recognized in Profit and Loss.

Forward currency contract are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative. Change in the fair value of forward contract are recognized through Other Comprehensive Income as forward contracts are not against underlying assets/liabilities.

## 2.8 Employee Benefits

**(i) Short-term Obligations**
All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**(ii) Other long-term employee benefit obligations**
The liabilities for earned leave are expected to be settled after the retirement of employee. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.



**2.9 Taxation**

Tax expense for the period comprises current and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the period. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred income tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

**2.10 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.



**2.11 a) Impairment of non-financial assets**

As at the end of each accounting period, the company reviews the carrying amounts of its property, plant and equipment, intangible assets and investments in subsidiary companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**b) Impairment of other financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables, loans and other financial assets etc. on a case to case basis. The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**2.12 Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

**2.13 Earnings per Share**

**Basic earnings per share**
Basic earnings per share is calculated by dividing:
-the profit for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial period.

**Diluted earnings per share**
Diluted earnings per share is calculated by dividing:
-the profit for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

P M S S & CO CHARTERED ACCOUNTANTS M.No. 091331

**2.14 Lease**

Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

**2.15 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

**2.16 Investment**

Investments are initially recognized at cost, comprising the fair value of consideration transferred plus directly attributable transaction costs. Subsequent to initial recognition, investments are carried at cost less accumulated impairment losses in separate financial statements.
Investment in subsidiary is recognized when the Company obtains control demonstrated through exposure to variable returns, and ability to use power to affect those returns.
The Company assesses impairment indicators at each reporting date and recognizes impairment losses when carrying amount exceeds recoverable amount. Impairment losses may be reversed subject to original cost limitation.

**2.17 Fair Value Measurement**

The Company measures financial instruments, such as investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

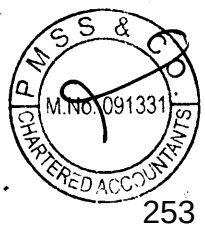
In the principal market for the asset or liability; or
In the absence of a principal market, in the most advantageous market for the asset or liability.

**2.18 Recent pronouncements**

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

**(a) Ind AS 1 – Presentation of Financial Statements** Clarifications on classification of liabilities as current or non-current, including the impact of loan covenants and rights to defer settlement.

**(b) Supplier Finance Arrangements** – Amendments to Ind AS 7 and Ind AS 107 As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company will provide new disclosures for liabilities under supplier finance arrangements , if applicable.



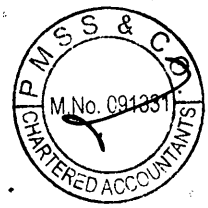
**(c) International Tax Reform** – Pillar Two Model Rules – Amendments to Ind AS 12 The Ministry of Corporate Affairs (MCA) has notified amendments to Ind AS 12, Income Taxes, to incorporate the OECD Pillar Two Model Rules. These amendments introduce specific disclosure requirements for entities that may be subject to Pillar Two income tax. Pillar Two legislation has not yet been enacted in India, where the company is headquartered. Accordingly, no adjustments have been made to these financial statements in respect of Pillar Two income taxes. The Company will continue to monitor developments in India and other jurisdictions in which it operates, and will evaluate the impact of such legislation as and when it becomes applicable.

**(d) Lack of Exchangeability** – Amendments to Ind AS 21 The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2.19 New and amended standards not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Ind AS 1 – Presentation of Financial Statements Clarifications on classification of liabilities as current or non-current, basis the timing of waiver granted by the lender on breach of a material provision. Once effective, the Group does not expect this amedment to have a material impact on its operations or financial statements.



**SHAHI KNITS PRIVATE LIMITED**
**Notes to Financial Statements for year ended March 31, 2026**

*Rupees in Lakhs*

3 **Property, plant and equipment**

| Particulars | Tangible assets | | | | | | | | Intangible assets | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Buildings | Plant & Machinery | Laboratory Equipment | Electricals / Vehicles | Furnitures & Fixtures | Office Equipments | Computers | Total | Computer software | Total |
| **Gross Block** | | | | | | | | | | |
| **As at April 1, 2024** | **2,952.35** | **7,556.44** | **53.99** | **586.85** | **87.66** | **16.26** | **18.76** | **11,272.31** | **1.22** | **1.22** |
| Additions during the year | 14.29 | 1,058.41 | | 36.87 | 115.37 | 1.14 | 9.08 | **1,235.16** | 10.30 | 10.30 |
| Disposals during the year | | (111.38) | | | | | (0.01) | **(111.39)** | | - |
| **As at March 31, 2025** | **2,966.64** | **8,503.48** | **53.99** | **623.72** | **203.03** | **17.40** | **27.83** | **12,396.08** | **11.52** | **11.52** |
| Additions during the year | **84.55** | **3,119.34** | **6.67** | **82.26** | **128.99** | **5.80** | **3.31** | **3,430.93** | - | - |
| Disposals during the year | | (87.15) | | (1.61) | | | | **(88.76)** | | |
| **As at March 31, 2026** | **3,051.19** | **11,535.66** | **60.66** | **704.38** | **332.01** | **23.20** | **31.15** | **15,738.25** | **11.52** | **11.52** |
| **Depreciation and Amortisation** | | | | | | | | | | |
| **As at April 1, 2024** | **557.15** | **2,484.26** | **22.04** | **241.83** | **27.76** | **5.72** | **12.54** | **3,351.30** | **0.11** | **0.11** |
| Charge for the year | 234.06 | 1,028.10 | 8.27 | 96.21 | 20.01 | 3.34 | 5.89 | **1,395.88** | 2.87 | **2.87** |
| Disposals during the year | - | (43.10) | - | - | - | - | (0.00) | **(43.11)** | - | - |
| **As at March 31, 2025** | **791.21** | **3,469.26** | **30.31** | **338.04** | **47.77** | **9.06** | **18.43** | **4,704.07** | **2.98** | **2.98** |
| Charge for the year | 210.89 | 1,064.73 | 6.19 | 78.90 | 56.29 | 2.40 | 6.72 | **1,426.13** | 5.39 | **5.39** |
| Disposals during the year | - | (33.71) | | (0.94) | | | | **(34.66)** | | - |
| **As at March 31, 2026** | **1002.10** | **4,500.28** | **36.50** | **415.99** | **104.06** | **11.46** | **25.14** | **6,095.55** | **8.37** | **8.37** |
| **Net block** | | | | | | | | | | |
| **As at March 31, 2025** | 2,175.43 | 5,034.22 | 23.68 | 285.68 | 155.26 | 8.33 | 9.41 | **7,692.01** | 8.54 | 8.54 |
| **As at March 31, 2026** | 2,049.09 | 7,035.38 | 24.16 | 288.39 | 227.95 | 11.74 | 6.00 | **9,642.70** | 3.14 | 3.14 |



**SHAHI KNITS PRIVATE LIMITED**
**CIN No:- U17299HR2022PTC141698**
**Notes to Financial Statements for year ended March 31, 2026**

**Non-Current assets** *Rupees in Lakhs*

| 3(i) | **Capital Work in Progress** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|---|
| | Less than 1 year | - | 153.51 |
| | 1-2Years | - | - |
| | 2-3Years | - | - |
| | More than 3 years | - | - |
| | **Total** | **-** | **153.51** |

**Financial assets**

| 4(i) | **Investments** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|---|
| | **Investments in subsidiary** | | |
| | 10000 Equity Shares of Shalit Private Limited at Rs 10 Each (formerly known as Shahi Jersey Private Limited ) | 1.00 | 1.00 |
| | **Total Investments** | **1.00** | **1.00** |

| 4(ii) | **Other Financial Assets - Non Current** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|---|
| | Bank deposits with more than 12 months maturity (under Lien for Rs 8.12 lac) | 8.99 | - |
| | Security Deposit with Government | 50.00 | - |
| | Security deposits Others | 176.33 | 233.94 |
| | Interest accrued | 0.07 | - |
| | **Total other financial assets** | **235.39** | **233.94** |

| 5 | **Other Non-current assets** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|---|
| | Capital advances | 127.17 | 20.49 |
| | Prepaid Expenses | 21.21 | - |
| | **Total other non-current assets** | **148.38** | **20.49** |

**Current assets**

| 6 | **Inventories** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|---|
| | Raw Material & Others (including Goods in transit , FY 25-26 Rs 55.74 lacs and FY 24-25 is Rs 526.97 lacs.) | 554.22 | 902.38 |
| | Stock Work 'in-progress | 72.41 | 73.84 |
| | Finished Goods | 60.49 | 19.50 |
| | Stores and Spares | 17.40 | 91.49 |
| | **Total Inventories** | **704.52** | **1,087.21** |

| 7 | **Financial Assets - Current** | | |
|---|---|---|---|
| 7(i) | **Trade receivables** | **March 31, 2026** | **March 31, 2025** |
| | Considered good - Unsecured | 1,147.73 | 8,996.79 |
| | **Total trade receivables** | **1,147.73** | **8,996.79** |



**Trade receivables ageing schedule for the year ended as on March 31 '2026**

| Outstanding for following periods from due date of payment | Undisputed trade receivables - considered good | Undisputed trade receivables - considered doubtful | Disputed trade receivables - considered good | Disputed trade receivables - credit impaired |
|---|---|---|---|---|
| Less than 6 months | 1,147.72 | - | | |
| 6 months - 1 year | - | | | - |
| 1 - 2 years | 0.01 | - | - | - |
| 2 - 3 years | - | - | | - |
| More than 3 years | - | - | | |
| Total | 1,147.73 | - | - | |

**Trade receivables ageing schedule for the year ended as on March 31'2025**

| Outstanding for following periods from due date of payment | Undisputed trade receivables - considered good | Undisputed trade receivables - considered doubtful | Disputed trade receivables - considered good | Disputed trade receivables - credit impaired |
|---|---|---|---|---|
| Less than 6 months | 4,653.09 | - | - | - |
| 6 months - 1 year | 3,132.79 | - | - | - |
| 1 - 2 years | 1,210.91 | - | - | |
| 2 - 3 years | - | - | - | - |
| More than 3 years | - | | - | - |
| Total | 8,996.79 | - | - | - |

| 7(ii) Cash and cash equivalents | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Balances with Banks | | |
| - in Current Accounts | 22.48 | 2.06 |
| Cash on hand | 0.27 | 0.35 |
| **Total cash and cash equivalents** | **22.75** | **2.41** |

| 7(iii) Bank balance other than (i) above | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Deposits with maturity more than 3 months but less than 12 months (under lien for Rs 8.12 lac) | - | 8.12 |
| **Total** | **-** | **8.12** |

| 7(iv) Investments | | |
|---|---|---|
| Investments - Mutual Funds | 1,557.89 | - |
| **Total Investments** | **1,557.89** | **-** |

| 7(v) Other Financial Assets | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Interest accrued | - | 0.47 |
| Advance for Investment | - | 1,395.00 |
| **Total Other Financial Assets** | **-** | **1,395.47** |

| 8 Current tax assets | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Advance Income Tax | 210.32 | 244.95 |
| **Total current tax assets** | **210.32** | **244.95** |

| 9 Other current assets | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Advances to Suppliers | 9.05 | 35.75 |
| Other receivables | 5.97 | 0.20 |
| Prepaid Expenses | 2.34 | 28.28 |
| Balance with Statutory/Govt. authorities | 651.58 | 469.21 |
| **Total other current assets** | **668.94** | **533.44** |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299HR2022PTC141698**
**Notes to Financial Statements for year ended March 31, 2026**

*Rupees in Lakhs*

**10 Share Capital**

| **Authorised equity share capital** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| 10,000 equity shares of Rs.10 each | 1.00 | 1.00 |
| **Issued, Subscribed and fully paid up shares** | | |
| 10,000 equity shares of Rs.10 each | 1.00 | 1.00 |
| | 1.00 | 1.00 |

**(i) Reconciliation of shares outstanding at the beginning and at the end of the period**

| **Equity Shares** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| At the beginning of the period | 10,000 | 10,000 |
| Outstanding at the end of the period | 10,000 | 10,000 |

**(ii) Terms and rights attached to equity shares**

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**(iii) Details of shareholders holding more than 5% shares in the Company**

| **Name of Shareholder** | **Equity Shares March 31, 2026** | | **Equity Shares March 31, 2025** | |
|---|---|---|---|---|
| | **No. of Shares held** | **% of Holding** | **No. of Shares held** | **% of Holding** |
| Shahi Exports Private Limited | 9,999 | 99.99% | 9,999 | 99.99% |
| Shahi Exports Private Limited (Represented by Nominee Mr. Harish Ahuja) | 1 | 0.01% | 1 | 0.01% |
| **Total** | 10,000 | 100.00% | 10,000 | 100.00% |

**iv) Shares held by promoters**

**As at 31 March 2026**

| **Promoter Name** | **No. of shares at the beginning of the period** | **Change during the period** | **No. of shares at the end of the period** | **% change during the period** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | - | 9,999 | - |
| Shahi Exports Private Limited (Represented by Nominee Mr. Harish Ahuja) | 1 | - | 1 | - |
| **Total** | **10,000** | - | **10,000** | - |

**As at 31 March 2025**

| **Promoter Name** | **No. of shares at the beginning of the period** | **Change during the period** | **No. of shares at the end of the period** | **% change during the period** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | | 9,999 | - |
| Shahi Exports Private Limited (Represented by Nominee Mr. Harish Ahuja) | 1 | | 1 | |
| **Total** | **10,000** | | **10,000** | |

**11 Other equity**

| **Reserve & Surplus** | **March 31, 2026** | **31 March, 2025** |
|---|---|---|
| Opening balance | (4,201.63) | (4,694.39) |
| Net profit /(loss) for the period | (458.58) | 492.76 |
| **Closing balance** | **(4,660.21)** | **(4,201.63)** |

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

*Rupees in Lakhs*

**Financial liabilities - Non-current**

| 12 **Borrowings** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Term Loan (Sanctioned Loan Rs 50 cr) Term loan from HDFC Bank is availed at mutually agreed rates, repayable in five years, secured by a charge on project-specific moveable fixed assets, current assets and corporate guarantee of Shahi Exports Pvt Ltd. Repayment begins after March'2027 | 2,797.10 | - |
| | **2,797.10** | **-** |

| 13 **Provisions** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| **Non-current** | | |
| Provision For Gratuity | 173.65 | 124.65 |
| Provision For Leave Encashment | 47.47 | 41.57 |
| **Other non current liabilities** | **221.12** | **166.22** |
| **Current** | | |
| Provision For Gratuity | 4.53 | - |
| Provision For Leave Encashment | 2.30 | - |
| | **6.83** | **-** |

**14 Financial liabilities - current**

| 14(i) **Borrowings** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Loan from related party | 14,417.52 | 22,496.70 |
| **Borrowings** | **14,417.52** | **22,496.70** |

| 14(ii) **Trade Payables** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 26) | 468.86 | 308.78 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 319.78 | 527.14 |
| **Total trade payables** | **788.64** | **835.92** |

**Trade payable ageing schedule for the period ended as on 31st March'2026**

| **Outstanding for following periods from due date of payment** | **(i) Outstanding dues to MSME** | **(ii) others** |
|---|---|---|
| Unbilled | - | 153.56 |
| Not due | 468.86 | 26.30 |
| Less than 1 year | - | 139.88 |
| 1-2 years | - | 0.02 |
| 2-3 years | - | 0.02 |
| More than 3 years | - | - |
| **Total** | **468.86** | **319.78** |

**Trade payable ageing schedule for the period ended as on 31st March'2025**

| **Outstanding for following periods from due date of payment** | **(i) Outstanding dues to MSME** | **(ii) others** |
|---|---|---|
| Unbilled | - | 103.52 |
| Not due | 308.76 | 29.21 |
| Less than 1 years | 0.02 | 301.46 |
| 1-2 years | - | 92.96 |
| 2-3 years | - | - |
| More than 3 years | - | - |
| **Total** | **308.78** | **527.14** |

| 14(iii) **Other Financial liabilities** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Employee related payables | 243.95 | 236.24 |
| Capital Creditors | 43.00 | 601.80 |
| Book overdraft | 237.02 | 132.09 |
| Interest accrued but not due on borrowings | 16.29 | - |
| Other payables | 187.25 | 63.94 |
| **Total other current financial liabilities** | **727.51** | **1,034.07** |

| 15 **Other current liabilities** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Statutory dues | 39.85 | 42.62 |
| Customer advances | 3.40 | 2.98 |
| **Total other current liabilities** | **43.25** | **45.60** |

P M S S & CO. CHARTERED ACCOUNTANTS M.No. 091331

**SHAHI KNITS PRIVATE LIMITED**
**CIN No : U17299HR2022PTC141698**
**Notes to Financial Statements for year ended March 31, 2026**

*Rupees in Lakhs*

| 16 Revenue from operations | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Job work Income | 10,366.85 | 9,770.35 |
| Sale of goods | 75.23 | - |
| Other operating revenue | 64.28 | 105.86 |
| **Total Revenue from operations** | **10,506.36** | **9,876.21** |

| 17 Other Income | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Commission and Brokerage | - | 1,217.27 |
| Interest Income from banks & Others | 25.24 | 41.17 |
| Miscellaneous Income | 1.60 | 1.79 |
| Profit on sale of Property, Plant and Equipment | 54.15 | 26.45 |
| Income from Mutual Funds | 176.02 | - |
| Provision Written Back | 0.48 | 46.06 |
| **Total Other Income** | **257.49** | **1,332.74** |

| 18 Cost of raw materials consumed | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Inventory at the beginning of the period | 466.90 | 256.01 |
| Add: Purchases | 3,755.72 | 3,412.66 |
| Less: Inventory at the end of the period | 515.88 | 466.90 |
| **Total Cost of Raw materials consumed** | **3,706.74** | **3,201.77** |

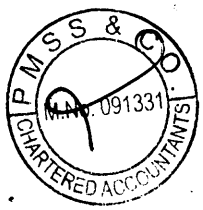
| 19 Changes in Inventories of Finished Goods Work in Progress & Stock in Trade | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Opening Stock | 93.34 | 119.35 |
| Less: Closing Stock | 132.90 | 93.34 |
| **Changes in Inventories of Finished Goods Work in Progress** | **(39.56)** | **26.01** |

| 20 Employee benefits expense | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Salaries and Wages | 2,257.02 | 2,196.76 |
| Contribution to Provident and other funds | 210.68 | 210.12 |
| Staff Welfare Expenses | 55.55 | 38.53 |
| **Total Employee benefits expense** | **2,523.25** | **2,445.41** |

| 21 Finance costs | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Interest on borrowings | 53.92 | - |
| Interest on taxes | 0.83 | 0.01 |
| Bank and Finance Charges | 0.36 | 0.88 |
| Other Financial cost | 48.05 | 7.70 |
| **Total Finance costs** | **103.16** | **8.59** |



| 22 Other expenses | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Consumption of Stores & Spare parts | 260.92 | 261.56 |
| Printing & Stationary | 30.99 | 27.92 |
| Power & Fuel | 2,400.85 | 2,354.37 |
| Repair and Maintenance : | | |
| Building | 129.00 | 171.64 |
| Plant & Machinery | 183.58 | 434.18 |
| Others | 300.00 | 196.79 |
| Rates and Taxes | 15.99 | 17.16 |
| Net Foreign Exchange loss | 1.99 | 11.62 |
| Advertisement, Publicity & Business Promotion | 1.03 | 0.53 |
| Freight & forwarding Charges | 0.60 | 4.70 |
| Processing Charges | 3.74 | 2.13 |
| Communication Expenses | 10.21 | 8.81 |
| Travelling and Conveyance | 20.58 | 24.09 |
| Legal and Professional Charges (refer note 23) | 45.29 | 36.38 |
| Facility Management Expenses | 82.75 | 81.49 |
| Rent | 0.23 | - |
| Sundry Expenses | 9.57 | 2.29 |
| **Total Other expenses** | **3,497.32** | **3,635.66** |



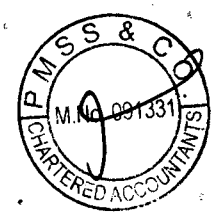
**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299HR2022PTC141698**
**Notes to Financial Statements for year ended March 31, 2026**

**23 Auditor's Remuneration (excluding GST)** *Rupees in Lakhs*

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Audit Fees | 0.25 | 0.05 |

**24 Ratio Analysis**

| Ratio | 31st March 2026 (% / times) | 31st March 2025 (% / times) | % variance | Reason for Variance |
|---|---|---|---|---|
| **a) Current Ratio** Current Assets / Current Liabilities | 0.27 | 0.50 | 46% | Due to proportionate decline in current assets and current liabilities |
| **b) Debt- Equity ratio** Total Borrowing / Total Equity | (4) | (5) | 31% | Due to reduced borrowings |
| **c) Debt Service Coverage Ratio** Earnings Available for Debt Services / Debt Service | (3) | 58 | 106% | Due to losses during the year |
| **d) Return on Equity** Profit after tax / Average Shareholder's Equity | 0.10 | (0.12) | 188% | Due to losses during the year |
| **e) Inventory Turnover ratio** Cost of Goods sold / Average Inventory | 4.09 | 4 | -2% | Variance less than 25% |
| **f) Trade Receivable Turnover Ratio** Revenue from Operations / Average Trade receivable | 2 | 1 | -95% | Due to decrease in trade receivables |
| **g) Trade Payable Turnover Ratio** Purchase / Average Trade payable | 4.62 | 3.57 | -30% | Due to increase in purchase |
| **h) Net Capital Turnover ratio** Revenue from Operations / Working Capital | (0.9) | (1) | -11% | Variance less than 25% |
| **i) Net Profit Ratio** Profit After Tax / Revenue from Operations | -4% | 5% | 187% | Due to loss during the year |
| **j) Return on capital Employed** Earning before interest and tax / Capital Employed | -3% | 3% | 203% | Due to loss during the year |



*Rupees in Lakhs*

| **25 Contingent Liabilities and Commitments :** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| a) Other matters for which the Company is contingently liable: | | |
| i. Bank Guarantee Given | 8.12 | 53.77 |
| ii. LC given | Nil | 56.66 |
| b) Litigation | 109 | - |
| c) Other Commitments | 248 | - |
| d) Export obligations under EPCG scheme | 2,493 | - |

**26 Due to micro and small enterprises**

There is no overdue amount outstanding for Micro Enterprises & Small Enterprises as on March 31,2026 and as on March 31, 2025 is Rs.0.02 lacs. There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

**27** The Company operates in a single business segment of sale/job work of textile and hence, no additional disclosures are required, other than those already given in the financial statements.

**28 Related Party Disclosure:**

**A. Related Parties**

**(i) Key Management Personnel**

Mr Anbazhagan Theerthagiri (Director)
Mr Sumit Khatri (Director)
Mr Rajeev Hebbar (Director)
Mr Punish Katyal (Director)

**(ii) Holding Company**

Shahi Exports Pvt. Ltd.

**(iii) Wholly Owned Subsidiary Company**

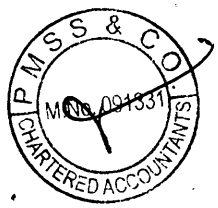
Shalit Private Limited

**(iv) Company under Common Control**

AHP Apparel Pvt. Ltd

**B. Details of Transactions with related parties during the period :**

| Particulars | Associates / Holding Company during FY 25-26 | Associates / Holding Company during FY 24-25 |
|---|---|---|
| Purchases | 34.58 | 0.01 |
| Sales of fabric | 75.23 | - |
| Job work Income | 10,366.76 | 9,766.69 |
| Sale of Assets | 27.25 | - |
| Loans Received | 13,408.13 | 11,607.45 |
| Loans Repaid | 21,487.31 | 16,177.75 |
| Loans given | 1.00 | - |
| Other financial cost | 48.05 | 7.70 |
| Other expenses | 29.22 | 0.97 |
| Purchase of Assets | 6.67 | 121.15 |



**C. Debit/Credit Balances as on 31st March 2025 and 31st March 2026**

| Particulars | Associates / Holding Company during FY 25-26 | Associates / Holding Company during FY 24-25 |
|---|---|---|
| Trade Receivable | 1,147.74 | 8,991.97 |
| Loan amount outstanding | 14,416.52 | 22,496.70 |
| Trade Payable | 25.15 | 217.58 |

**29 Financial risk management**

The Company's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, cash & cash equivalents and other financial assets, which arise directly from its operations. The Board of Directors reviews the financial position and financial performance on periodic basis. The evaluation of various types of risks applicable to Company have been explained below:

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, and cash and cash equivalents.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required.

**Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and securities, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following table shows a maturity analysis of the anticipated cash flows for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

| Particulars | 0-1 period | > 1 period | Total |
|---|---|---|---|
| **March 31,2026** | | | |
| Borrowings | 17,214.62 | | 17,214.62 |
| Trade payables | 788.60 | 0.04 | 788.64 |
| Other financial liabilities | 727.51 | | 727.51 |
| | **18,730.73** | **0.05** | **18,730.77** |

| Particulars | 0-1 period | > 1 period | Total |
|---|---|---|---|
| **March 31,2025** | | | |
| Borrowings | 11,607.45 | 10,889.26 | 22,496.71 |
| Trade payables | 742.96 | 92.96 | 835.92 |
| Other financial liabilities | 1,034.07 | - | 1,034.07 |
| | **13,384.48** | **10,982.22** | **24,366.70** |

**30 Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and long term and short term bank borrowings.

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings.

| Credit risk | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Trade receivables | 1,147.73 | 8,996.79 |
| Balances with bank, bank deposits | (214.27) | (121.56) |
| Other financial assets | 235.39 | 1,629.42 |
| **Total** | **1,168.85** | **10,504.65** |

**31** As the Company had losses in the previous period provision of corporate social responsibility as per Companies Act, 2013 was not applicable.

**32 Contribution to political parties**
There are no Contribution to political parties in year ending March 31, 2026 and year ending March 31, 2025.

**33** Deferred tax assets are recognized to the extent that it is probable that sufficient taxable profits will be available to realize the deductible temporary difference or carryforward of unused tax losses or tax credits. Un-recognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

**34** During the previous year the registered office of the company had shifted from Delhi to Haryana.

**35** Previous year figures have been reclassified to confirm to current year's classification,if any.

As per report of even date
**For PMSS & Co.**
Chartered Accountants
Firm Regn No.019667N

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

**Puneet Mishra**
Partner
Membership No. 091331
Place: Faridabad
Date: 01/09/2026

**For and on behalf of The Board of Directors of Shahi Knits Private Limited**

**Sumit Khatri**
**(Director)**
**DIN - 09538536**

**Punish Katyal**
**(Director)**
**DIN - 10819686**

**SHAHI KNITS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U 17299DL2022PTC395499**
**PROVISIONAL (UNAUDITED) STANDALONE BALANCE SHEET AS AT JUNE 30, 2026**

*Rupees in Lakhs*

| Particulars | Notes | As at June 30, 2026 | As at March 31, 2026 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current assets** | | | |
| Property, plant and equipment | 3 | 9,207.58 | 9,642.70 |
| Intangibles assets | 3 | 2.64 | 3.14 |
| Capital Work in Progress | 3(i) | 416.03 | 0.00 |
| **Financial Assets** | 4 | | |
| Investments | 4(i) | 1.00 | 1.00 |
| Other non-current financial assets | 4(ii) | 227.17 | 235.39 |
| Other non-current assets | 5 | - | 148.38 |
| **Total non-current assets** | | **9,854.42** | **10,030.61** |
| **Current assets** | | | |
| Inventories | 6 | 914.89 | 704.52 |
| **Financial assets** | 7 | | |
| (i) Trade receivables | 7(i) | 1,910.28 | 1,147.73 |
| (ii) Cash and cash equivalents | 7(ii) | 28.87 | 22.75 |
| (iii) Bank balance other than (i) above | 7(iii) | 8.99 | - |
| (iv) Investments | 7(iv) | 1,557.89 | 1,557.89 |
| Current tax assets | 8 | 270.35 | 210.32 |
| Other current assets | 9 | 692.94 | 668.94 |
| **Total current assets** | | **5,384.21** | **4,312.15** |
| **Total assets** | | **15,238.63** | **14,342.76** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Equity share capital | 10 | 1.00 | 1.00 |
| Other equity | 11 | (4,526.04) | (4,660.21) |
| **Total Equity** | | **(4,525.04)** | **(4,659.21)** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Borrowings | 12 | 3,701.28 | 2,797.10 |
| Provisions | 13 | 235.00 | 221.12 |
| **Total non-current liabilities** | | **3,936.28** | **3,018.22** |
| **Current liabilities** | | | |
| **Financial Liabilities** | 14 | | |
| (i) Borrowings | 14(i) | 14,512.67 | 14,417.52 |
| (ii) Trade Payables | 14(ii) | | |
| Total outstanding dues of micro enterprises and small enterprises | | 500.31 | 468.86 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 129.83 | 319.78 |
| (iii) Other Financial Liabilities | 14(iii) | 519.44 | 727.51 |
| Other current Liabilities | 15 | 165.14 | 43.25 |
| Provisions | 13 | | 6.83 |
| **Total current liabilities** | | **15,827.39** | **15,983.75** |
| **Total equity and liabilities** | | **15,238.63** | **14,342.76** |

The accompanying notes are an integral part of the financial statements. 2

**For and on Behalf of The Board of Directors**
**of Shahi Knits Private Limited**

sd/- sd/-

**Sumit Khatri** **Punish Katyal**
**(Director)** **(Director)**
**DIN - 09538536** **DIN - 10819686**

Place: Faridabad
Date: November 2, 2026

**SHAHI KNITS PRIVATE LIMITED**

**CORPORATE IDENTIFICATION NUMBER - U 17299DL2022PTC395499**

**PROVISIONAL (UNAUDITED) STANDALONE STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED June 30, 2026**

*Rupees in Lakhs*

| Particulars | Note | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|---|
| **Income** | | | |
| Revenue from Operations | 16 | 3,485.88 | 10,506.36 |
| Other income | 17 | 3.78 | 257.49 |
| **Total income** | | **3,489.66** | **10,763.85** |
| | | | |
| **Expenses** | | | |
| Cost of raw materials consumed | 18 | 1,305.44 | 3,706.74 |
| Changes in Inventories of Finished Goods Work in Progress & Stock in Trade | 19 | 23.18 | (39.56) |
| Employee benefits expense | 20 | 670.11 | 2,523.25 |
| Finance Costs | 21 | 74.76 | 103.16 |
| Depreciation and Amortization Expenses | 3 | 437.09 | 1,431.52 |
| Other Expenses | 22 | 844.92 | 3,497.32 |
| **Total Expenses** | | **3,355.50** | **11,222.43** |
| | | | |
| **Profit/(Loss) before tax** | | **134.16** | **(458.58)** |
| | | | |
| **Tax Expense:** | | | |
| Current tax | | - | - |
| | | | - |
| | | | |
| **Profit/(Loss) for the period** | | **134.16** | **(458.58)** |
| | | | |
| **Other Comprehensive Income** | | | - |
| | | | |
| **Total Comprehensive income/(loss) for the period** | | **134.16** | **(458.58)** |
| **Earning per Share of Rs 10 each** | | | |
| Basic & Diluted (in Rs) | | **1,341.6** | **(4,585.8)** |

The accompanying notes are an integral part of the financial statements. 2

**For and on Behalf of The Board of Directors of Shahi Knits Private Limited**

sd/- sd/-

**Sumit Khatri** (Director) **DIN - 09538536**

**Punish Katyal** (Director) **DIN - 10819686**

Place: Faridabad

Date: November 2, 2026

**SHAHI KNITS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U 17299DL2022PTC395499**
**PROVISIONAL (UNAUDITED) STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30 , 2026**

*Rupees in Lakhs*

| | Particulars | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|---|
| A | **Cash From Operating Activities** | | |
| | **Net (Loss)/Profit Before Tax and Extraordinary Items** | **134.16** | **(458.58)** |
| | **Adjusted for:** | | |
| | Depreciation and Amortization | 437.09 | 1,431.52 |
| | (Profit) /Loss on Sale of Assets | (0.01) | (54.15) |
| | Interest Expense/Finance Charges | 74.76 | 103.16 |
| | Interest Income | (0.15) | (25.24) |
| | Income from Mutual Funds | - | (176.02) |
| | **Operating Profit/(Loss) Before Working Capital Change** | **645.85** | **820.69** |
| | Adjustment for: | | |
| | (Increase)/Decrease in Debtors | (762.55) | 7,849.06 |
| | (Increase)/Decrease in Other Current and financial Assets | 72.54 | 1,049.23 |
| | (Increase)/Decrease in Inventories | (210.37) | 382.69 |
| | Increase/(Decrease) in Creditors | (158.50) | (47.28) |
| | Increase/(Decrease) in Current and financial Liabilities | 99.32 | (430.09) |
| | Increase/(Decrease) in Provisions | 7.05 | 61.73 |
| | **Cash Generated From Operations** | **(306.66)** | **9,686.02** |
| | (Taxes Paid) /Net of Refund | | 244.83 |
| | **Net Cash From Operations** | **(306.66)** | **9,930.85** |
| B | **Cash Flow From Investing Activities** | | |
| | Purchase of Fixed Assets ( Including CWIP) | (417.51) | (3,277.42) |
| | Sale Proceeds of Fixed Assets | 0.01 | 108.25 |
| | Interest Income Received | 0.15 | 25.64 |
| | Investments | 0.00 | (1,381.87) |
| | Other non current assets | | (129.34) |
| | **Net Cash From Investing Activities** | **(417.35)** | **(4,654.73)** |
| C | **Cash Flow From Financing Activities** | | |
| | Proceeds/ (Repayment) of Short term Borrowings (net) | 95.15 | (8,079.18) |
| | Proceeds/ (Repayment) of Long term Borrowings (net) | 904.18 | 2,797.10 |
| | Interest Paid | (69.05) | (86.87) |
| | **Net Cash From Financing Activities** | **930.27** | **(5,368.95)** |
| D | **Net Increase/(Decrease)in Cash and Cash Equivalents** | **206.26** | **(92.71)** |
| E | **Opening Balance of Cash And Cash Equivalents** | **(214.27)** | **(121.56)** |
| F | **Closing Balance of Cash And Cash Equivalents** | **(8.00)** | **(214.27)** |

| | | | |
|---|---|---|---|
| | **Cash and cash equivalents comprises:** | | |
| | Cash on hand | 0.64 | 0.27 |
| | Balance with banks | (8.64) | (214.54) |
| | (Refer note 7(ii), 7(iii) and 13 for components of cash and cash equivalents) | **(8.00)** | **(214.27)** |

**For and on Behalf of The Board of Directors**
**of Shahi Knits Private Limited**

sd/- sd/-

**Sumit Khatri** **Punish Katyal**
**(Director)** **(Director)**
**DIN - 09538536** **DIN - 10819686**

Place: Faridabad
Date: November 2, 2026

**SHAHI KNITS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U 17299DL2022PTC395499**
**PROVISIONAL (UNAUDITED) STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED** *Rupees in Lakhs*

**a Equity Share Capital**

| Particulars | Number | Amount |
|---|---|---|
| **As at March 31, 2025** | **10,000** | **1.00** |
| Issued during the period | - | - |
| **As at March 31, 2026** | **10,000** | **1.00** |
| Issued during the period | - | - |
| **As at June 30, 2026** | **10,000** | **1.00** |

**b Other Equity**

| Particulars | Retained Earnings | Total |
|---|---|---|
| **Balance as at March 31, 2025** | **(4,201.63)** | **(4,201.63)** |
| Profit/(Loss) for the period | (458.58) | (458.58) |
| **Balance as at March 31, 2026** | **(4,660.21)** | **(4,660.21)** |
| | | |
| Profit/(Loss) for the period | 134.16 | 134.16 |
| Other Comprehensive Income | - | - |
| **Balance as at June 30, 2026** | **(4,526.04)** | **(4,526.04)** |

The accompanying notes are an integral part of the financial statements. 2

**For and on Behalf of The Board of Directors**
**of Shahi Knits Private Limited**

sd/- sd/-

**Sumit Khatri** **Punish Katyal**
**(Director)** **(Director)**
**DIN - 09538536** **DIN - 10819686**

Place: Faridabad
Date: November 2, 2026

**SHAHI KNITS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U 17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

## 1 General Information

The company is primarily engaged in the business of Fabric processing , designing, manufacturing and selling, wide range of fabric items and garments

## 2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of the Company. These policies have been consistently applied to all the periods presented.

### 2.1 Basis of preparation of financial Statements

**Compliance with Indian Accounting Standard (Ind AS) and Historical cost convention**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III of the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

These Ind AS financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values. The Ind AS financial statements are presented in Indian rupees (Rs).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

## 2.2 Current/Non-Current Classification

Any Asset/Liability is classified as current, if it satisfies any of the following criteria:

(a) it is expected to be realized/settled in the company's normal operating cycle;
(b) it is expected to be realized/settled within twelve months after the reporting date;
(c) In the case of an asset :
-It is held primarily for the purpose of being traded
-It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
(d) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

All other assets/liabilities are classified as non-current.

## 2.3 Property, plant and equipment

Land is carried at historical cost and is not depreciated. Capital work in progress (CWIP) comprises of the cost of assets not ready for intended use as on the Balance sheet date. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of asset and recognised in profit or loss.

Depreciation is provided on a pro-rata basis using written down value (WDV) method based on useful lives of the assets estimated by the management which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

### Intangible assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets relating to Computer Software are depreciated over the estimated useful lives which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013 commencing from the date that they are available for use.

## 2.4 Inventories

Raw materials, packing materials, stores, spares, consumables and other material are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.

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

## 2.5 Revenue recognition

**i) Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Company is generally the principal as it typically controls the goods before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

**ii) Interest income**

Interest Income is recognized, when it is probable that the economic benefits will flow to the Company, on a time proportion basis taking into account the outstanding amount and the applicable interest rate.

## 2.6 Government Grants and Export incentives

Government Grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is netted off with the relevant expense. Where the grants relates to an asset, it is recognized as income over the expected useful life of the related assets.

Export incentives are recognised on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the Company will comply with the conditions attached to them.

## 2.7 Foreign currency transactions

**Functional Currency**
The functional currency of the company is the Indian Rupee.

**Transactions and translations**
Transactions in foreign currencies are translated at the exchange rates prevailing on the date of transaction. Foreign exchange gains and losses resulting from the settlement of transaction in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currency at period end exchange rates are generally recognized in Profit and Loss.

Forward currency contract are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative. Change in the fair value of forward contract are recognized through Other Comprehensive Income as forward contracts are not against underlying assets/liabilities.

## 2.8 Employee Benefits

**(i) Short-term Obligations**
All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**(ii) Other long-term employee benefit obligations**
The liabilities for earned leave are expected to be settled after the retirement of employee. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

## 2.9 Taxation

Tax expense for the period comprises current and deferred tax.

**Current tax**
The tax currently payable is based on taxable profit for the period. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**
Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred income tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

**2.10 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.

**2.11 a) Impairment of non-financial assets**

As at the end of each accounting period, the company reviews the carrying amounts of its property, plant and equipment, intangible assets and investments in subsidiary companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**b) Impairment of other financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables, loans and other financial assets etc. on a case to case basis. The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

## 2.12 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

## 2.13 Earnings per Share

**Basic earnings per share**
Basic earnings per share is calculated by dividing:
-the profit for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial period.

**Diluted earnings per share**
Diluted earnings per share is calculated by dividing:
-the profit for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

## 2.14 Lease

Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

## 2.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

## 2.16 Investment

Investments are initially recognized at cost, comprising the fair value of consideration transferred plus directly attributable transaction costs. Subsequent to initial recognition, investments are carried at cost less accumulated impairment losses in separate financial statements.
Investment in subsidiary is recognized when the Company obtains control demonstrated through exposure to variable returns, and ability to use power to affect those returns.
The Company assesses impairment indicators at each reporting date and recognizes impairment losses when carrying amount exceeds recoverable amount. Impairment losses may be reversed subject to original cost limitation.

**2.17 Fair Value Measurement**

The Company measures financial instruments, such as investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability; or
In the absence of a principal market, in the most advantageous market for the asset or liability.

**SHAHI KNITS PRIVATE LIMITED**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

*Rupees in Lakhs*

3 **Property, plant and equipment**

| Particulars | Tangible assets | | | | | | | | Intangible assets | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Buildings | Plant & Machinery | Laboratory Equipment | Electricals / Vehicles | Furnitures & Fixtures | Office Equipments | Computers | Total | Computer software | Total |
| **Gross Block** | | | | | | | | | | |
| **As at March 31, 2025** | **2,966.64** | **8,503.48** | **53.99** | **623.72** | **203.03** | **17.40** | **27.83** | **12,396.08** | **11.52** | **11.52** |
| Additions during the year | **84.55** | **3,119.34** | **6.67** | **82.26** | **128.99** | **5.80** | **3.31** | **3,430.93** | - | - |
| Disposals during the year | - | (87.15) | - | (1.61) | - | - | - | **(88.76)** | - | - |
| **As at March 31, 2026** | **3,051.19** | **11,535.66** | **60.66** | **704.38** | **332.01** | **23.20** | **31.15** | **15,738.25** | **11.52** | **11.52** |
| Additions during the year | - | - | - | - | - | 1.48 | - | **1.48** | - | - |
| Disposals during the year | - | - | - | - | - | - | - | - | - | - |
| **As at June 30, 2026** | **3,051.19** | **11,535.66** | **60.66** | **704.38** | **332.01** | **24.68** | **31.15** | **15,739.73** | **11.52** | **11.52** |
| **Depreciation and Amortisation** | | | | | | | | | | |
| **As at March 31, 2025** | **791.21** | **3,469.26** | **30.31** | **338.04** | **47.77** | **9.06** | **18.43** | **4,704.07** | **2.98** | **2.98** |
| Charge for the year | 210.89 | 1,064.73 | 6.19 | 78.90 | 56.29 | 2.40 | 6.72 | **1,426.13** | 5.39 | **5.39** |
| Disposals during the year | - | (33.71) | - | (0.94) | - | - | - | **(34.66)** | - | - |
| **As at March 31, 2026** | **1002.10** | **4,500.28** | **36.50** | **416.00** | **104.06** | **11.46** | **25.15** | **6,095.54** | **8.38** | **8.38** |
| Charge for the year | **49.11** | **350.78** | **1.56** | **18.67** | **14.70** | **0.92** | **0.85** | **436.59** | **0.49** | **0.49** |
| Disposals during the year | - | - | - | - | - | - | - | - | - | - |
| **As at June 30, 2026** | **1051.22** | **4,851.07** | **38.06** | **434.67** | **118.76** | **12.38** | **26.00** | **6,532.14** | **8.88** | **8.88** |
| **Net block** | | | | | | | | | | |
| **As at June 30, 2026** | 1,999.98 | 6,684.59 | 22.60 | 269.71 | 213.25 | 12.30 | 5.15 | **9,207.58** | 2.64 | **2.64** |
| **As at March 31, 2026** | 2,049.09 | 7,035.38 | 24.16 | 288.38 | 227.95 | 11.74 | 5.99 | **9,642.70** | 3.14 | 3.14 |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

**3 Non-Current assets** *Rupees in Lakhs*

| 3(i) Capital Work in Progress | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Less than 1 year | 416.03 | 0.00 |
| 1-2Years | - | - |
| 2-3Years | - | - |
| More than 3 years | - | - |
| **Total** | **416.03** | **0.00** |

**4(i) Financial Assets -Non current**

| Investments | June 30, 2026 | March 31, 2026 |
|---|---|---|
| **Investments in subsidiary** | | |
| 10000 Equity Shares of Shalit Private Limited at Rs 10 Each (formerly known as Shahi Jersey Private Limited ) | 1.00 | 1.00 |
| **Total Investments** | **1.00** | **1.00** |

| 4(ii) Other Financial Assets - Non Current | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Bank deposits with more than 12 months maturity (under Lien) | - | 8.99 |
| Security Deposit with Government | 50.00 | 50.00 |
| Security deposits Others | 176.95 | 176.33 |
| Interest accrued | 0.22 | 0.07 |
| **Total other financial assets** | **227.17** | **235.39** |

| 5 Other Non-current assets | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Capital advances | - | 127.17 |
| Prepaid Expenses | | 21.21 |
| **Total other non-current assets** | **-** | **148.38** |

| 6 Inventories | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Raw Material & Others (including Goods in transit , FY Apr26-June'26 Rs Nil, FY 25-26 Rs 55.74 lacs ) | 790.39 | 554.22 |
| Stock Work 'in-progress | 53.96 | 72.41 |
| Finished Goods | 55.76 | 60.49 |
| Stores and Spares | 14.78 | 17.40 |
| **Total Inventories** | **914.89** | **704.52** |

**7 Financial Assets - Current**

| 7(i) Trade receivables | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Considered good - Unsecured | 1,910.28 | 1,147.73 |
| **Total trade receivables** | **1,910.28** | **1,147.73** |

**Trade receivables ageing schedule for the year ended as on June 30 '2026**

| Outstanding for following periods from due date of payment | Undisputed trade receivables - considered good | Undisputed trade receivables - considered doubtful | Disputed trade receivables - considered good | Disputed trade receivables - credit impaired |
|---|---|---|---|---|
| Less than 6 months | 1,910.27 | - | - | - |
| 6 months - 1 year | - | - | - | - |
| 1 - 2 years | 0.01 | - | - | - |
| 2 - 3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total | 1,910.28 | - | - | - |

**Trade receivables ageing schedule for the year ended as on March 31'2026**

| Outstanding for following periods from due date of payment | Undisputed trade receivables - considered good | Undisputed trade receivables - considered doubtful | Disputed trade receivables - considered good | Disputed trade receivables - credit impaired |
|---|---|---|---|---|
| Less than 6 months | 1,147.72 | - | - | - |
| 6 months - 1 year | - | - | - | - |
| 1 - 2 years | 0.01 | - | - | - |
| 2 - 3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total | 1,147.73 | - | - | - |

| 7(ii) Cash and cash equivalents | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Balances with Banks | | |
| - in Current Accounts | 28.23 | 22.48 |
| Cash on hand | 0.64 | 0.27 |
| **Total cash and cash equivalents** | **28.87** | **22.75** |

| 7(iii) Bank balance other than (i) above | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Deposits with maturity more than 3 months but less than 12 months (under lien) | 8.99 | - |
| **Total Bank balance other than (i) above** | **8.99** | **-** |

**7(iv) Investments**

| | | |
|---|---|---|
| Investments - Mutual Funds | 1,557.89 | 1,557.89 |
| **Total Investments** | **1,557.89** | **1,557.89** |

| 8 Current tax assets | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Tax deducted at source | 270.35 | 210.32 |
| **Total current tax assets** | **270.35** | **210.32** |

| 9 Other current assets | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Advances to Suppliers | 22.47 | 9.05 |
| Other receivables | 5.41 | 5.97 |
| Other current assets - Prepaid Expenses | 21.78 | 2.34 |
| Balance with Statutory/Govt. authorities | 643.28 | 651.58 |
| **Total other current assets** | **692.94** | **668.94** |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

*Rupees in Lakhs*

**10 Share Capital**

| **Authorised equity share capital** | **June 30, 2026** | **March 31, 2026** |
|---|---|---|
| 10,000 equity shares of Rs.10 each | 1.00 | 1.00 |
| **Issued, Subscribed and fully paid up shares** | | |
| 10,000 equity shares of Rs.10 each | 1.00 | 1.00 |
| | 1.00 | 1.00 |

**(i) Reconciliation of shares outstanding at the beginning and at the end of the period**

| **Equity Shares** | **June 30, 2026** | **March 31, 2026** |
|---|---|---|
| At the beginning of the period | 10,000 | 10,000 |
| Outstanding at the end of the period | 10,000 | 10,000 |

**(ii) Terms and rights attached to equity shares**

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**(iii) Details of shareholders holding more than 5% shares in the Company**

| **Name of Shareholder** | **Equity Shares** | | **Equity Shares** | |
|---|---|---|---|---|
| | **June 30, 2026** | | **March 31, 2026** | |
| | **No. of Shares held** | **% of Holding** | **No. of Shares held** | **% of Holding** |
| Shahi Exports Private Limited | 9,999 | 99.99% | 9,999 | 99.99% |

**iv) Shares held by promoters**

**As at June 30, 2026 (Provisional)**

| **Promoter Name** | **No. of shares at the beginning of the period** | **Change during the period** | **No. of shares at the end of the period** | **% change during the period** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | - | 9,999 | - |
| Mr. Harish Ahuja (Nominee ) | 1 | - | 1 | - |
| **Total** | **10,000** | - | **10,000** | - |

**As at March 31, 2026 (Audited)**

| **Promoter Name** | **No. of shares at the beginning of the period** | **Change during the period** | **No. of shares at the end of the period** | **% change during the period** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | - | 9,999 | - |
| Mr. Harish Ahuja (Nominee ) | 1 | - | 1 | - |
| **Total** | **10,000** | - | **10,000** | - |

**11 Other equity**

| **Reserve & Surplus** | **June 30, 2026** | **March 31, 2026** |
|---|---|---|
| Opening balance | (4,660.21) | (4,201.63) |
| Net profit /(loss) for the period | 134.16 | (458.58) |
| **Closing balance** | **(4,526.04)** | **(4,660.21)** |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

*Rupees in Lakhs*

| 12 Borrowings | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Term Loan<br>Term loan from HDFC Bank is availed at mutually agreed rates, repayable in five years, secured by a charge on project-specific moveable fixed assets, current assets and corporate guarantee of Shahi | 3,701.28 | 2,797.10 |
| | **3,701.28** | **2,797.10** |

| 13 Provisions | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Non-current | | |
| Gratuity | 185.23 | 173.65 |
| Provision For Leave Encashment | 49.77 | 47.47 |
| **Other non current liabilities** | **235.00** | **221.12** |
| | | |
| **Current** | | |
| Gratuity | | 4.53 |
| Provision For Leave Encashment | | 2.30 |
| | - | **6.83** |

**14 Financial liabilities - current**

| 14(i) Borrowings | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Loan from related party | 14,512.67 | 14,417.52 |
| **Borrowings** | **14,512.67** | **14,417.52** |

| 14(ii) Trade Payables | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 25) | 500.31 | 468.86 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 129.83 | 319.78 |
| **Total trade payables** | **630.14** | **788.64** |

**Trade payable ageing schedule for the period ended as on June 30, 2026**

| Outstanding for following periods from due date of payment | (i) Outstanding dues to MSME | (ii) others |
|---|---|---|
| Unbilled | - | |
| Not due | 500.31 | 0.15 |
| Less than 1 year | - | 129.68 |
| 1-2 years | - | - |
| 2-3 years | - | - |
| More than 3 years | - | - |
| **Total** | **500.31** | **129.83** |

**Trade payable ageing schedule for the period ended as on March 31,2026**

| Outstanding for following periods from due date of payment | (i) Outstanding dues to MSME | (ii) others |
|---|---|---|
| Unbilled | - | 153.56 |
| Not due | 468.86 | 26.30 |
| Less than 1 years | | 139.88 |
| 1-2 years | - | 0.02 |
| 2-3 years | - | 0.02 |
| More than 3 years | - | - |
| **Total** | **468.86** | **319.78** |

| 14(iii) Other Financial liabilities | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Employee related payables | 297.83 | 243.95 |
| Capital Creditors | - | 43.00 |
| Book overdraft | 45.86 | 237.02 |
| interest accrued but not due on borrowings | 21.97 | 16.29 |
| Other payables | 153.78 | 187.25 |
| **Total other current financial liabilities** | **519.44** | **727.51** |

| 15 Other current liabilities | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Expense payable | 118.83 | - |
| Statutory dues | 35.59 | 39.85 |
| Customer advances | 10.72 | 3.40 |
| **Total other current liabilities** | **165.14** | **43.25** |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

*Rupees in Lakhs*

| 16 Revenue from operations | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Job work Income | 3,472.35 | 10,366.85 |
| Scrap sale and others | 13.53 | 64.28 |
| Sale of goods | - | 75.23 |
| Commission and Brokerage | - | - |
| **Total Revenue from operations** | **3,485.88** | **10,506.36** |

| 17 Other Income | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Interest Income from banks & Others | 0.15 | 25.24 |
| Miscellaneous Income | 0.26 | 1.61 |
| Profit on sale of Property, Plant and Equipment | 0.01 | 54.15 |
| Income from Mutual Funds | - | 176.02 |
| Provision Written Back | - | 0.48 |
| Net Foreign Exchange Gain | 3.36 | - |
| **Total Other Income** | **3.78** | **257.49** |

| 18 Cost of raw materials consumed | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Inventory at the beginning of the period | 515.88 | 466.90 |
| Add: Purchases | 1,594.73 | 3,755.72 |
| Less: Inventory at the end of the period | 805.17 | 515.88 |
| **Total Cost of Raw materials consumed** | **1,305.44** | **3,706.74** |

**19 Changes in Inventories of Finished Goods Work in Progress & Stock in Trade**

| | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Opening Stock | 132.90 | 93.34 |
| Less: Closing Stock | 109.72 | 132.90 |
| **Changes in Inventories of Finished Goods Work in Progress** | **23.18** | **(39.56)** |

| 20 Employee benefits expense | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Salaries and Wages | 602.31 | 2,257.02 |
| Contribution to Provident and other funds | 55.01 | 210.69 |
| Staff Welfare Expenses | 12.79 | 55.54 |
| **Total Employee benefits expense** | **670.11** | **2,523.25** |

| 21 Finance costs | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Interest on borrowings | 62.72 | 53.92 |
| Interest on taxes | 0.03 | 0.83 |
| Bank and Finance Charges | - | 0.36 |
| Other Financial cost | 12.01 | 48.05 |
| **Total Finance costs** | **74.76** | **103.16** |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

| 22 Other expenses | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Consumption of Stores & Spare parts | 51.79 | 260.92 |
| Printing & Stationary | 5.25 | 30.99 |
| Power & Fuel | 647.93 | 2,400.84 |
| Repair and Maintenance : | | |
| Building | 11.44 | 129.00 |
| Plant & Machinery | 31.22 | 183.59 |
| Others | 60.42 | 300.00 |
| Rates and Taxes | 3.52 | 15.98 |
| Net Foreign Exchange loss | - | 1.99 |
| Advertisement, Publicity & Business Promotion | 0.39 | 1.03 |
| Freight & forwarding Charges | - | 0.60 |
| Processing Charges | 0.62 | 3.74 |
| Communication Expenses | 2.83 | 10.20 |
| Travelling and Conveyance | 4.58 | 20.58 |
| Legal and Professional Charges (refer note 22) | 9.61 | 45.29 |
| Facility Management Expenses | 15.08 | 82.76 |
| Rent | - | 0.23 |
| Sundry Expenses | 0.24 | 9.57 |
| **Total Other expenses** | **844.92** | **3,497.32** |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

**23 Auditors Remuneration (excluding GST)** *Rupees in Lakhs*

| Particulars | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Audit Fees | 0.25 | 0.25 |

**24 Ratio Analysis**

| Ratio | 31st June 2026 (% / times) | 31st March 2026 (% / times) | % variance | Reason for Variance |
|---|---|---|---|---|
| **a) Current Ratio** Current Assets / Current Liabilities | 0.34 | 0.27 | -26% | Due to increase in current assets during the period |
| **b) Debt- Equity ratio** Total Borrowing / Total Equity | (4) | (4) | -9% | Variance less than 25% |
| **c) Debt Service Coverage Ratio** Earnings Available for Debt Services / Debt Service | 3 | (3) | 181% | Due to profits during the period |
| **d) Return on Equity** Profit after tax / Average Shareholder's Equity | -0.03 | 0.10 | 128% | Due to profits during the period |
| **e) Inventory Turnover ratio** Cost of Goods sold / Average Inventory | 1.64 | 4.09 | 60% | Due to reduced Cost of Goods sold during the period |
| **f) Trade Receivable Turnover Ratio** Revenue from Operations / Average Trade receivable | 2 | 2 | -10% | Variance less than 25% |
| **g) Trade Payable Turnover Ratio** Purchase / Average Trade payable | 2.25 | 4.62 | 51% | Due to deccrease in purchase |
| **h) Net Capital Turnover ratio** Revenue from Operations / Working Capital | (0.33) | (0.9) | 63% | Due to decrease in revenue |
| **i) Net Profit Ratio** Profit After Tax / Revenue from Operations | 4% | -4% | 188% | Due to profit during the period |
| **j) Return on capital Employed** Earning before interest and tax / Capital Employed | 2% | -3% | 154% | Due to increase in earning before interest and tax during the period |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

*Rupees in Lakhs*

| **25 Contingent Liabilities and Commitments :** | **June 30, 2026** | **March 31, 2026** |
|---|---|---|
| a) Other matters for which the Company is contingently liable: | | |
| i. Bank Guarantee Given | 8.12 | 8.12 |
| b) GST Litigation | 109 | 109 |
| c) Other Commitments | 234 | 248 |
| d) Export obligations under EPCG scheme | | 2,493 |

**26 Due to micro and small enterprises**

There is no overdue amount outstanding of on Micro Enterprises & Small Enterprises as on June 30,2026 and March 31,2026 .

There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

**27** The Company operates in a single business segment of sale/job work of textile and hence, no additional disclosures are required, other than those already given in the financial statements.

**28 Related Party Disclosure:**

**A. Related Parties**

**(i) Key Management Personnel**

Mr Anbazhagan Theerthagiri (Director)
Mr Sumit Khatri (Director)
Mr Rajeev Hebbar (Additional Director)
Mr Punish Katyal (Additional Director)

**(ii) Holding Company**

Shahi Exports Pvt. Ltd.

**(iii) Wholly Owned Subsidiary Company**

Shalit Private Limited
*(formerly known as Shahi Jersey Private Limited and name changed on 23 rd Nov 2023)*

**(iv) Company under Common Control**

AHP Apparel Pvt. Ltd

**B. Details of Transactions with related parties during the period :**

| Particulars | Associates / Holding Company | |
|---|---|---|
| | For the period ended June 30, 2026 (Provisional) | For the year ended March 31, 2026 (Audited) |
| Purchases | - | 34.58 |
| Sales of fabric | - | 75.23 |
| Job work Income | 3,466.60 | 10,366.76 |
| Sale of Assets | - | 27.25 |
| Loans Received | 4,213.67 | 13,408.12 |
| Loans Repaid | 4,118.52 | 21,487.31 |
| Other financial cost | 1.00 | 48.05 |
| Other expenses | - | 29.22 |
| Purchase of Assets | - | 6.67 |

**C. Debit/Credit Balances as on period end**

| Particulars | As at June 30, 2026 (Provisional) | As at March 31, 2026 (Audited) |
|---|---|---|
| Trade Receivable | 1,910.28 | 1,147.73 |
| Loan amount outstanding | 14,511.66 | 14,416.52 |
| Trade Payable | 25.14 | 25.15 |

**29 Financial risk management**

The Company's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, cash & cash equivalents and other financial assets, which arise directly from its operations. The Board of Directors reviews the financial position and financial performance on periodic basis. The evaluation of various types of risks applicable to Company have been explained below:

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, and cash and cash equivalents.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required.

**Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and securities, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following table shows a maturity analysis of the anticipated cash flows for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

| Particulars | 0-1 period | > 1 period | Total |
|---|---|---|---|
| **June 30,2026** | | | |
| Borrowings | 18,213.95 | | 18,213.95 |
| Trade payables | 630.14 | - | 630.14 |
| Other financial liabilities | 519.44 | - | 519.44 |
| | **19,363.53** | **0.01** | **19,363.53** |

| Particulars | 0-1 period | > 1 period | Total |
|---|---|---|---|
| **March 31,2026** | | | |
| Borrowings | 17,214.62 | | 17,214.62 |
| Trade payables | 788.60 | 0.04 | 788.64 |
| Other financial liabilities | 727.51 | - | 727.51 |
| | **18,730.74** | **0.04** | **18,730.78** |

**30 Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and long term and short term bank borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings.

| Credit risk | June 30, 2026 | March 31, 2026 |
|---|---|---|
| Trade receivables | 1,910.28 | 1,147.73 |
| Balances with bank, bank deposits | (8.00) | (214.27) |
| Other financial assets | 227.17 | 235.39 |
| **Total** | **2,129.45** | **1,168.85** |

**SHAHI KNITS PRIVATE LIMITED**
**CIN No - U17299DL2022PTC395499**
**Provisional (Unaudited) Notes to Financial Statements for year ended June 30, 2026**

**31** As the Company had losses in the previous period provision of corporate social responsibility as per Companies Act, 2013 was not applicable.

**32 Contribution to political parties**
There are no Contribution to political parties in period ending June 30, 2026 and year ending March 31, 2026.

**33** Deferred tax assets are recognized to the extent that it is probable that sufficient taxable profits will be available to realize the deductible temporary difference or carryforward of unused tax losses or tax credits. Un-recognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

**34** Previous year figures have been reclassified to confirm to current year's classification,if any.

**34** Provisional figures are reported for period ending June 30,2026 and year ending March 31,2026.

**35** During the previous year the registered office of the company had shifted from Delhi to Haryana.

**For and on behalf of The Board of Directors**
**of Shahi Knits Private Limited**

| sd/- | sd/- |
|---|---|
| **Sumit Khatri** | **Punish Katyal** |
| **(Director)** | **(Director)** |
| **DIN - 09538536** | **DIN - 10819686** |

Place: Faridabad
Date: November 2, 2026

PMSS & CO.
CHARTERED ACCOUNTANTS

Office Add. : 118 B, G. F., Sector- 30-33,
Indraprastha Colony, Faridabad -121003

Ph. : 0129 - 4108211 Mob. : 9811797396
e-mail : camishrajipuneet@gmail.com

Date 31/8/26

**INDEPENDENT AUDITORS' REPORT**

**To the Members of HSA Apparel Private Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

1. We have audited the accompanying standalone financial statements of **HSA Apparel Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 it's profit including total comprehensive income, its cash flows and changes in equity for the year then ended.

**Basis for Opinion**

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs"), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 ("the ICAI") 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.

**Other Information**

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

P.M.S.S. & CO. M.No. 091351 CHARTERED ACCOUNTANTS

6. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the standalone financial statements**

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.

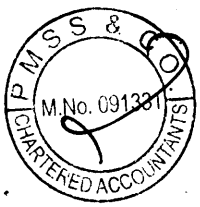
8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate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

**Auditors' Responsibilities for the Audit of the standalone financial statements**

9. 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.

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

    a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of 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.

b) 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 controls with reference to financial statements in place and the operating effectiveness of such controls.

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

d) Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) 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.

11. 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.

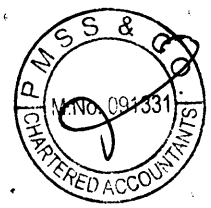
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related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

**Report on Other Legal and Regulatory Requirements**

13. As required by the Companies (Auditor's Report) Order, 2020 ('the order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable in the case of the Company.

14. 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.



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

c) The Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of cash flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

f) With respect to the adequacy of the internal controls over financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.

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

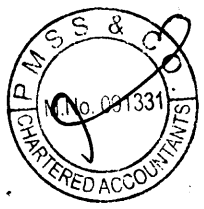
i. The Company does not have any pending litigations which would impact on its financial position in its standalone financial statements.

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

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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



c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

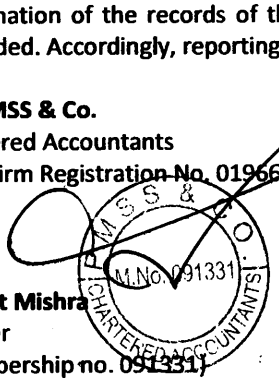
v. The company has not declared or paid any dividend during the year

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

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

**For PMSS & Co.**
Chartered Accountants
(ICAI Firm Registration No. 019667N)




**Puneet Mishra**
Partner
(Membership no. 091331)
UDIN: 26091331TKFANG1569

Place: FARIDABAD
Date: 31/08/2026

**Annexure A to Independent Auditor's Report**

Referred to in paragraph 13 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Standalone Financial Statements of HSA Apparel Private Limited

(i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

(B) The Company does not hold any intangible assets and hence, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) Fixed assets were physically verified by the management during the year in accordance with a planned programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee) 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) 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 which have been initiated during the year or pending against the Company as at 31st March 2026 for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during any point of time of the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, the requirement to report on 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, during the year the Company has not made any investments and has not provided guarantees or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii) (a) to (f) of the Order is not applicable to the Company. Further, the investments made, in our opinion, prima facie, not prejudicial to the Company's interest.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of products manufactured by the Company and are of the opinion that prima facie, the Company is not require to maintain cost records and hence, clause (vi) of the Order is not applicable to the Company.

(vii)(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. According to the information and explanation given to us and examination of records of the Company, the statutory dues as at March 31, 2026 have been regularly deposited.

(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of tax are as follows.

| Name of the Statute | Nature of dues | Amount demanded (In lacs) | Amount Paid (In lacs) | Period to which amount relates | Forum where the dispute is pending |
|---|---|---|---|---|---|
| GST Act | GST | 22.32 | 2.02 | Financial year 2021-22 | Assistant Commissioner, CGST Division-IV, Ghaziabad,UP |

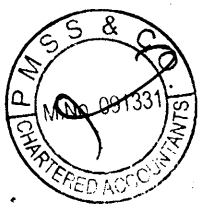
(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) To the best of our knowledge and belief, in our opinion, the Company has neither availed / obtained term loans during the year nor applied by the Company during the year and hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima-facie, not been used during the year for long-term purposes by the Company.



(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit. Accordingly, the requirement to report on clause 3(xi)(a) of the Order is not applicable to the Company.

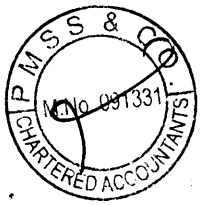
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the requirement to report on clause 3(xi)(b) of the Order is not applicable to the Company.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures. Accordingly, the requirement to report on clause 3(xi)(c) of the Order is not applicable to the Company.

(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 the related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and the details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.

(xiv) Based on information and explanations provided to us and our audit procedures, in our opinion, the clause 3(xiv) (a) and (b) on internal audit is not applicable.



(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 Companies Act, 2013 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) According to the information and explanations provided to us, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) of the Order is 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 realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.

(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 Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi)The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For PMSS & Co.**
Chartered Accountants
ICAI Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
Place: FARIDABAD
Date: 31/08/2026

**Annexure B to Independent Auditor's Report**

[Referred to in paragraph 14(f) under "Report on other legal and regulatory requirements" section of our report of even date on the Standalone Ind AS Financial Statements of HSA Apparel Private Limited]

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

We have audited the internal financial controls over financial reporting of HSA Apparel Private Limited ("the Company") as of 31 March, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

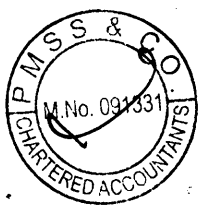
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.



**Meaning of Internal Financial Controls over Financial Reporting with Reference to these Standalone Ind AS Financial Statements**

A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Standalone Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

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

**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

**Puneet Mishra**
Partner
Membership Number: 091331
Place: FARIDABAD
Date: 31/08/2026

**HSA APPAREL PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17120HR2008PTC141699**
**STANDALONE BALANCE SHEET AS AT M ARCH 31, 2026**

*Amount in Rupees thousand, unless otherwise stated*

| Particulars | Notes | As at MARCH 31, 2026 | As at MARCH 31 , 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 269,181.33 | 312,807.36 |
| Capital work in progress | 4 | - | 11,703.11 |
| Financial assets | 5 | | |
| (i) Other financial assets | 5(i) | 10.00 | 110.00 |
| Deferred tax assets (Net) | 6 | 3,896.56 | 3,896.56 |
| **Total non-current assets** | | **273,087.89** | **328,517.03** |
| **Current assets** | | | |
| Financial assets | 7 | | |
| (i) Trade receivables | 7(i) | - | 14,544.13 |
| (ii) Cash and cash equivalents | 7(ii) | 15,413.56 | 2,866.46 |
| (iii) Bank balances other than balances (ii) above | 7(iii) | 3,706.17 | 5,800.00 |
| (iv) Other financial assets | 7(iv) | 48.85 | 269.18 |
| Current tax assets | 8 | 2,089.11 | 8,080.97 |
| Other current assets | 9 | 114,242.52 | 117,518.59 |
| **Total current assets** | | **135,500.21** | **149,079.33** |
| **TOTAL ASSETS** | | **408,588.10** | **477,596.36** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 10 | 100.00 | 100.00 |
| Other Equity | 11 | 56,951.11 | 69,160.22 |
| **Total Equity** | | **57,051.11** | **69,260.22** |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 12 | 1,028.00 | 3,083.99 |
| Other non current liabilities | 13 | 9,627.04 | 12,810.48 |
| **Total non- current liabilities** | | **10,655.04** | **15,894.47** |
| **Current liabilities** | | | |
| Financial liabilities | 14 | | |
| (i) Borrowings | 14(i) | 329,696.40 | 173,215.85 |
| (ii) Trade payables | 14(ii) | | |
| Total outstanding dues of micro enterprises and small enterprises | | 137.19 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,091.18 | 199,009.64 |
| (iii) Other financial liabilities | 14(iii) | 6,632.47 | 14,800.59 |
| Other current liabilities | 15 | 2,324.71 | 5,415.59 |
| **Total current liabilities** | | **340,881.95** | **392,441.67** |
| **TOTAL EQUITY AND LIABILITIES** | | **408,588.10** | **477,596.36** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date.
**For PMSS & Co.**
Chartered Accountants
Firm registration number : 019667N

**Puneet Mishra**
Partner
Membership number : 091331
Place: FARIDABAD
Date: 31/08/2026

**For and on Behalf of The Board of Directors of**
**HSA Apparel Private Limited**

**Ajay Kataria**
(Director)
DIN - 09748405

**Pradeep Kumar Rai**
(Director)
DIN - 11185346

**HSA APPAREL PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17120HR2008PTC141699**
**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING MARCH 31, 2026**

*Amount in Rupees thousand, unless otherwise stated*

| Particulars | Note | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 16 | 51,891.23 | 224,137.28 |
| Other income | 17 | 3,437.00 | 5,449.51 |
| **Total Income** | | **55,328.23** | **229,586.79** |
| | | | |
| **EXPENSES** | | | |
| Cost of raw materials consumed | 18 | - | 46,053.15 |
| Changes in inventories of finished goods and work-in-progress | 19 | - | 47,698.91 |
| Finance Costs | 20 | 3,711.34 | 12,727.22 |
| Depreciation and amortization expenses | 3 | 57,596.36 | 70,222.52 |
| Other expenses | 21 | 6,229.64 | 45,809.94 |
| **Total Expenses** | | **67,537.34** | **222,511.74** |
| | | | |
| **Profit/(Loss) before adjustment** | | **(12,209.11)** | **7,075.05** |
| **Adjustments** | | | |
| **Tax Expense:** | | | |
| Current tax | | - | 5,572.17 |
| Deferred tax | | - | (2,923.42) |
| | | - | **2,648.75** |
| | | | |
| **Profit/(Loss) for the year (1)** | | **(12,209.11)** | **4,426.30** |
| | | | |
| **Other Comprehensive Income** | | - | - |
| *Items that may be reclassified to profit or loss* | | - | - |
| **Other Comprehensive income/(Loss) for the year (2)** | | | |
| | | | |
| **Total Comprehensive income for the year (1+2)** | | **(12,209.11)** | **4,426.30** |
| Earning per Share of Rs 10 each (Previous year : Rs 10) | | | |
| Basic & Diluted (in Rs.) | | **(1,220.91)** | **442.63** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date.
**For PMSS & Co.**
Chartered Accountants
Firm registration number : 019667N

**Puneet Mishra**
Partner
Membership number : 091331
Place: FARIDABAD
Date: 31/08/2026

**For and on Behalf of The Board of Directors of**
**HSA Apparel Private Limited**

**Ajay Kataria**
(Director)
DIN - 09748405

**Pradeep Kumar Rai**
(Director)
DIN - 11185346

**HSA APPAREL PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17120HR2008PTC141699**
**STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2026**
*Amount in Rupees thousand, unless otherwise stated*

| | Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| A | **Cash From Operating Activities** | | |
| | **Net Profit/(loss) Before Tax and Extraordinary Items** | **(12,209.11)** | **7,075.05** |
| | **Adjusted for:** | | |
| | Depreciation and Amortization | 57,596.36 | 70,222.52 |
| | Borrowing cost | 3,711.34 | 12,727.22 |
| | Interest Income | (815.59) | (1,981.18) |
| | Subsidy income | (2,559.83) | (3,456.82) |
| | Net Foreign Exchange Gain | (61.58) | (11.52) |
| | **Operating Profit/(Loss) Before Working Capital Change** | **45,661.59** | **84,575.28** |
| | Adjustment for: | | |
| | (Increase)/Decrease in Other financial Assets | 220.33 | (29.79) |
| | (Increase)/Decrease in Inventories | - | 47,746.64 |
| | (Increase)/Decrease in Debtors | 14,544.13 | 350,770.91 |
| | (Increase)/Decrease in Other Current Assets | (2,797.91) | (994.55) |
| | Increase/(Decrease) in Creditors | (196,719.69) | (463,239.69) |
| | Increase/(Decrease) in Current and financial Liabilities | (2,356.24) | (4,173.28) |
| | **Cash Generated From Operations** | **(141,447.80)** | **14,655.51** |
| | (Taxes Paid)/Net of Refund | 7,065.01 | (34,127.50) |
| | **Net Cash From Operations** | **(134,382.79)** | **(19,471.99)** |
| B | **Cash Flow From Investing Activities** | | |
| | Increase/(Decrease) in Non Current Liabilities | (8,150.30) | 2,811.50 |
| | (Purchase)/Sale of non current assets | (2,167.22) | (11,813.11) |
| | Grant received | 3,422.26 | 10,394.34 |
| | Interest income | 1,035.92 | 2,726.02 |
| | **Net Cash From Investing Activities** | **(5,859.34)** | **4,118.75** |
| C | **Cash Flow From Financing Activities** | | |
| | Proceeds/ (Repayment) of Borrowings (net) | 154,425.56 | (39,317.64) |
| | Borrowing cost | (2,418.85) | (6,091.66) |
| | Finance cost | (1,311.31) | (4,527.46) |
| | **Net Cash From Financing Activities** | **150,695.41** | **(49,936.75)** |
| D | **Net Increase/(Decrease)in Cash and Cash Equivalents** | **10,453.27** | **(65,289.99)** |
| E | **Opening Balance of Cash And Cash Equivalents** | **8,666.46** | **73,956.46** |
| F | **Closing Balance of Cash And Cash Equivalents (D+E)** | **19,119.74** | **8,666.46** |
| | **Cash and cash equivalents comprises:** | | |
| | Cash on hand | 12.33 | 14.60 |
| | Deposits | 3,706.18 | 5,800.00 |
| | Balance with banks | 15,401.23 | 2,851.86 |
| | (Refer note 7(ii) and 7(iii) for components of cash and cash equivalents) | **19,119.74** | **8,666.46** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date.
**For PMSS & Co.**
Chartered Accountants
Firm Regn No. 019667N

**Puneet Mishra**
Partner
Membership number : 091331
Place: FARIDABAD
Date: 31/08/2026

**For and on Behalf of The Board of Directors**
**HSA Apparel Private Limited**

**Ajay Kataria**
(Director)
DIN - 09748405

**Pradeep Kumar Rai**
(Director)
DIN - 11185346

**HSA APPAREL PRIVATE LIMITED**

**CORPORATE IDENTIFICATION NUMBER - U17120HR2008PTC141699**

**PROVISIONAL STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2026**

*Amount in Rupees thousand, unless otherwise stated*

**A. Equity Share Capital**

| Particulars | Number | Amount |
|---|---|---|
| **As at 31 March 2024** | 10,000.00 | 100.00 |
| Changes in equity share capital | - | - |
| **As at 31 March 2025** | 10,000.00 | 100.00 |
| Changes in equity share capital | - | - |
| **As at MARCH 31, 2026** | 10,000.00 | 100.00 |

**B. Other Equity**

**For the year ended 31 March'2025**

| Description | Reserves and Surplus | |
|---|---|---|
| | Retained Earnings | Total |
| **As at 31 March 2024** | **64,733.92** | **64,733.92** |
| Profit for the year | 4,426.30 | 4,426.30 |
| Other Comprehensive Income | - | |
| **Total Comprehensive Income for the year** | **69,160.22** | **69,160.22** |
| Dividend Paid | | - |
| | - | - |
| **As at 31 March 2025** | **69,160.22** | **69,160.22** |

**For the year ended 31 March'2026**

| Description | Reserves and Surplus | |
|---|---|---|
| | Retained Earnings | Total |
| **As at 31 March 2025** | **69,160.22** | **69,160.22** |
| Profit for the year | (12,209.11) | (12,209.11) |
| Other Comprehensive Income | | - |
| **Total Comprehensive Income for the year** | **56,951.11** | **56,951.11** |
| Dividend Paid | - | - |
| | | |
| **As at 31 March 2026** | **56,951.11** | **56,951.11** |

As per our report of even date.
**For PMSS & Co.**
Chartered Accountants
Firm registration number : 019667N

**Puneet Mishra**
Partner
Membership No. 091331
Place: FARIDABAD
Date: 31/08/2026

**For and on Behalf of The Board of Directors**
**of HSA Apparel Private Limited**

**Ajay Kataria**
(Director)
DIN - 09748405

**Pradeep Kumar Rai**
(Director)
DIN - 11185346

**HSA APPAREL PRIVATE LIMITED**
**Notes to Financial Statements for period ended as at March 31, 2026**

## 1 General Information

The company is primarily engaged in the business of designing, manufacturing and selling, wide range of readymade garments and fabric items and caters to the needs of several leading international fashion brands and retailers.

## 2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of the Company. These policies have been consistently applied to all the periods presented.

### 2.1 Basis of preparation of financial Statements

**Compliance with Indian Accounting Standard (Ind AS) and Historical cost convention**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III of the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

These Ind AS financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values.

The accounting policies are applied consistently to all the periods presented in financial statements, including the preparation of Ind AS Balance sheet as at 1st April 2017 being the date of transition to Ind AS.

**Use of Estimates**
The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

### 2.2 Current/Non-Current Classification

Any Asset/Liability is classified as current, if it satisfies any of the following criteria:

(a) it is expected to be realized/settled in the company's normal operating cycle;
(b) it is expected to be realized/settled within twelve months after the reporting date;
(c) In the case of an asset :
-It is held primarily for the purpose of being traded
-It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
(d) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

All other assets/liabilities are classified as non-current.



## 2.3 Property, plant and equipment

Land is carried at historical cost and is not depreciated. Capital work in progress (CWIP) comprises of the cost of assets not ready for intended use as on the Balance sheet date. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of asset and recognised in profit or loss.

Depreciation is provided on a pro-rata basis using written down value (WDV) method based on useful lives of the assets estimated by the management which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**Intangible assets**

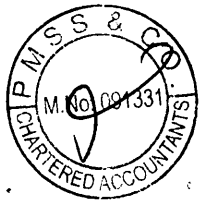
Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets relating to Computer Software are depreciated over the estimated useful lives which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013 commencing from the date that they are available for use.

## 2.4 Inventories

Raw materials, packing materials, stores, spares, consumables and other material are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

## 2.5 Revenue recognition

**i) Revenue from contracts with customers**
Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Company is generally the principal as it typically controls the goods before transferring them to the customer.
Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.



Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

**ii) Interest income**
Interest Income is recognized, when it is probable that the economic benefits will flow to the Company, on a time proportion basis taking into account the outstanding amount and the applicable interest rate.

**iii) Dividends**
Dividend income on investments is accounted when the right to receive the dividend is established.

**2.6 Government Grants and Export incentives**

Government Grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is netted off with the relevant expense. Where the grants relates to an asset, it is recognized as income over the expected useful life of the related assets.

**2.7 Foreign currency transactions**

**Functional Currency**

The functional currency of the company is the Indian Rupee.

**Transactions and translations**

Transactions in foreign currencies are translated at the exchange rates prevailing on the date of transaction. Foreign exchange gains and losses resulting from the settlement of transaction in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currency at year end exchange rates are generally recognized in Profit and Loss.

Forward currency contract are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative. Change in the fair value of forward contract are recognized through Other Comprehensive Income as forward contracts are not against underlying assets/liabilities.

**2.8 Employee Benefits**

(i) Short-term Obligations
All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**(ii) Other long-term employee benefit obligations**
The liabilities for earned leave are expected to be settled after the retirement of employee. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

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**2.9 Taxation**

Tax expense for the year comprises current and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred income tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

**2.10 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

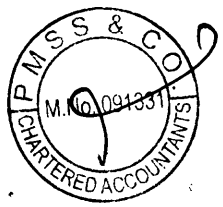
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.

**2.11 a) Impairment of non-financial assets**

As at the end of each accounting year, the company reviews the carrying amounts of its property, plant and equipment, intangible assets and investments in subsidiary companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.



**b) Impairment of other financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables, loans and other financial assets etc. on a case to case basis. The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**2.12 Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

**2.13 Earnings per Share**

**Basic earnings per share**
Basic earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**
Diluted earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

**2.14 Lease**

Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

**2.15 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

**2.16 Recent pronouncements**
The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

**(a) Ind AS 1 – Presentation of Financial Statements** Clarifications on classification of liabilities as current or non-current, including the impact of loan covenants and rights to defer settlement.

**(b) Supplier Finance Arrangements** – Amendments to Ind AS 7 and Ind AS 107 As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company will provide new disclosures for liabilities under supplier finance arrangements , if applicable.

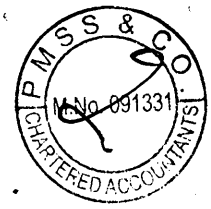
P M S S & CO. M.No. 031331 CHARTERED ACCOUNTANTS

**(c) International Tax Reform** – Pillar Two Model Rules – Amendments to Ind AS 12 The Ministry of Corporate Affairs (MCA) has notified amendments to Ind AS 12, Income Taxes, to incorporate the OECD Pillar Two Model Rules. These amendments introduce specific disclosure requirements for entities that may be subject to Pillar Two income tax. Pillar Two legislation has not yet been enacted in India, where the company is headquartered. Accordingly, no adjustments have been made to these financial statements in respect of Pillar Two income taxes. The Company will continue to monitor developments in India and other jurisdictions in which it operates, and will evaluate the impact of such legislation as and when it becomes applicable.
**(d) Lack of Exchangeability** – Amendments to Ind AS 21 The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**2.17 New and amended standards not yet adopted**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Ind AS 1 – Presentation of Financial Statements Clarifications on classification of liabilities as current or non-current, basis the timing of waiver granted by the lender on breach of a material provision. Once effective, the company does not expect this amedment to have a material impact on its operations or financial statements.



**HSA APPAREL PRIVATE LIMITED**
**Notes to Financial Statements for period ended as at March 31, 2026**

**3 Property, Plant & Equipment**

*Amount in Rupees thousand, unless otherwise stated*

| Particulars | Gross Block at Cost | | | | Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | As at April 1,2025 | Additions | Deductions | As at March 31, 2026 | As at April 1,2025 | For the year | Deductions | As at March 31, 2026 | As at March 31, 2026 |
| | | | | | | | | | |
| Plant & Machinery | 511,727.65 | 13,970.33 | - | 525,697.98 | 200,975.26 | 56,832.59 | - | 257,807.85 | 267,890.12 |
| Electricals | 3,111.47 | - | - | 3,111.47 | 1,554.04 | 403.22 | - | 1,957.26 | 1,154.21 |
| Furnitures & Fixtures | 1,686.60 | - | - | 1,686.60 | 1,261.97 | 319.65 | - | 1,581.62 | 104.98 |
| Computers | 639.35 | - | - | 639.35 | 566.43 | 40.90 | - | 607.33 | 32.02 |
| | | | | | | | | | |
| **TOTAL** | **517,165.06** | **13,970.33** | **-** | **531,135.39** | **204,357.70** | **57,596.36** | | **261,954.06** | **269,181.33** |
| | | | | | | | | | |
| **CAPITAL WORK IN PROGRESS** | - | - | - | - | | | - | - | - |

| Particulars | Gross Block at Cost | | | | Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | As at April 1,2025 | Additions | Deductions | As at March 31, 2026 | As at April 1,2024 | For the year | Deductions | As at March 31, 2026 | As at March 31, 2025 |
| | | | - | - | | | | | |
| Plant & Machinery | 511,727.65 | | - | 511,727.65 | 131,827.22 | 69,148.04 | | 200,975.26 | 310,752.39 |
| Electricals | 3,111.47 | - | | 3,111.47 | 1,009.96 | 544.08 | - | 1,554.04 | 1,557.43 |
| Furnitures & Fixtures | 1,686.60 | | - | 1,686.60 | 856.58 | 405.39 | - | 1,261.97 | 424.63 |
| Computers | 639.35 | - | - | 639.35 | 441.41 | 125.02 | - | 566.43 | 72.92 |
| | | - | - | - | | | - | - | - |
| **TOTAL** | **517,165.06** | **-** | **-** | **517,165.06** | **134,135.18** | **70,222.52** | | **204,357.70** | **312,807.36** |
| | | | | | | | | | |
| **CAPITAL WORK IN PROGRES** | | - | | | | - | - | | 11,703.11 |

**4 Capital work in progress ageing schedule is as follows:**

**As at March 31, 2026**

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | Total |
| Projects in progress | - | - | | | - |
| Project temporarily suspended | | | | | - |
| | | - | - | - | - |

**As at 31 March 2025**

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | Total |
| Projects in progress (including capital goods in transit of Rs 25,20,000/-) | 11,703.11 | | | | 11,703.11 |
| Project temporarily suspended | | - | | - | |
| | **11,703.11** | - | - | - | **11,703.11** |

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

*Amount in Rupees thousand, unless otherwise stated*

| 5(i) Other Financial Assets -Non Current | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Deposits with maturity more than 12 months | - | 100.00 |
| Security deposits | 10.00 | 10.00 |
| **Total other financial assets** | **10.00** | **110.00** |

| 6 Deferred tax assets (Net) | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Related to property, plant & equipments (Refer note 30) | 3,896.56 | 3,896.56 |
| **Total deferred tax assets** | **3,896.56** | **3,896.56** |

**7 Financial Assets - Current**

| 7(i) Trade receivables | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Unsecured, considered good | - | 14,544.13 |
| | - | |
| **Total trade receivables** | **-** | **14,544.13** |

**Trade receivables ageing schedule for the year ended as on March 31, 2026**

| | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Current but not due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Undisputed trade receivables - considered good | - | - | | - | - | - | - |
| Undisputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| Disputed trade receivables - considered good | - | - | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |

**Trade receivables ageing schedule for the year ended as on 31 March'2025**

| | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Current but not due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Undisputed trade receivables - considered good | 3,536.54 | 11,007.59 | - | - | - | - | 14,544.13 |
| Undisputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| Disputed trade receivables - considered good | - | - | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| | 3,536.54 | 11,007.59 | - | - | - | - | 14,544.13 |

| 7(ii) Cash and cash equivalents | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Balances with Banks | | |
| - in Current Accounts | 15,401.23 | 2,851.86 |
| Cash on hand | 12.33 | 14.60 |
| **Total cash and cash equivalents** | **15,413.56** | **2,866.46** |

| 7(iii) Bank balances other than (ii) above | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Deposits with maturity more than 3 months and less than 12 months | 3,706.17 | 5,800.00 |
| **Total bank balances other than (ii) above** | **3,706.17** | **5,800.00** |

| 7(iv) Other financial assets | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Interest accrued | 48.85 | 269.18 |
| **Total other financial assets** | **48.85** | **269.18** |

| 8 Current tax assets | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Taxes paid | 2,089.11 | 8,080.97 |
| (net of Provision Current year : Nil , Previous year: 5572.17 ) | | |
| **Total current tax assets** | **2,089.11** | **8,080.97** |

| 9 Other current assets | March 31 , 2026 | March 31 , 2025 |
|---|---|---|
| Subsidy receivable | 14,181.43 | 18,962.24 |
| Advance to Suppliers | 947.91 | 1,093.02 |
| Balance with Statutory/Government authorities | 99,113.19 | 97,463.33 |
| **Total other current assets** | **114,242.52** | **117,518.59** |

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

**HSA APPAREL PRIVATE LIMITED**
**Notes to Financial Statements for period ended as at March 31, 2026**

*Amount in Rupees thousand, unless otherwise stated*

**10 Share Capital**

| **Authorised equity share capital** | **March 31 , 2026** | **March 31, 2025** |
|---|---|---|
| 1,00,000 equity shares of Rs.10 each<br>(Previous year 1,00,000 equity shares of Rs.10 each) | 1,000.00 | 1,000.00 |
| **Issued, Subscribed and fully paid up shares**<br>10,000 equity shares of Rs.10 each<br>(Previous year 10,000 equity shares of Rs.10 each) | 100.00 | 100.00 |
| | 100.00 | 100.00 |

**(i) Reconciliation of shares outstanding at the beginning and at the end of the year**

| **Equity Shares** | **March 31 , 2026** | **March 31, 2025** |
|---|---|---|
| At the beginning of the year | 10,000.00 | 10,000.00 |
| **Outstanding at the end of the year** | 10,000.00 | 10,000.00 |

**(ii) Terms and rights attached to equity shares**
Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**(iii) Details of shareholders holding more than 5% shares in the Company**

| **Name of Shareholder** | **Equity Shares** | | | |
|---|---|---|---|---|
| | **March 31 , 2026** | | **31 March,2025** | |
| | **No. of Shares held** | **% of Holding** | **No. of Shares held** | **% of Holding** |
| Shahi Exports Private Limited | 9,999 | 99.99% | 9,999 | 99.99% |

**d) Shares held by promoters**
**As at MARCH 31, 2026**

| **Promoter Name** | **No. of shares at the beginning of the year** | **Change during the year** | **No. of shares at the end of the year** | **% change during the year** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | - | 9,999 | - |
| Mr. Harish Ahuja (Nominee) | 1 | - | 1 | - |

**As at 31 March 2025:**

| **Promoter Name** | **No. of shares at the beginning of the year** | **Change during the year** | **No. of shares at the end of the year** | **% change during the year** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | - | 9,999 | - |
| Mr. Harish Ahuja (Nominee) | 1 | - | 1 | - |

**11 Other equity**

| **Reserve & Surplus** | **March 31 , 2026** | **March 31, 2025** |
|---|---|---|
| Opening balance | 69,160.22 | 64,733.92 |
| Net profit for the year | (12,209.11) | 4,426.30 |
| **Closing balance** | **56,951.11** | **69,160.22** |
| **Total other equity** | **56,951.11** | **69,160.22** |

P M S S & Co. CHARTERED ACCOUNTANTS M.No. 091331

*Amount in Rupees thousand, unless otherwise stated*

**Financial liabilities - Non current**

**12 Borrowings - Non Current**

| | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Term loans from bank (Secured) | 1,028.00 | 3,083.99 |
| **Total Borrowings - Non Current** | **1,028.00** | **3,083.99** |

FD-backed Term loan from HDFC Bank has been availed at mutually agreed rate, repayable in five years.

**13 Other non current liabilities**

| | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Deferred revenue arising from government grants | 9,627.04 | 12,810.48 |
| **Total other non current liabilities** | **9,627.04** | **12,810.48** |

**14 Financial Liabilities - current**

**14(i) Borrowings**

| | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Current maturities of non-current borrowing (Refer note 12) | 2,055.99 | 21,002.99 |
| Loan from related parties | 327,640.40 | 152,212.85 |
| **Total borrowings** | **329,696.40** | **173,215.85** |

**14(ii) Trade Payables**

| | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 25) | 137.19 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,091.18 | 199,009.64 |
| **Total trade payables** | **2,228.37** | **199,009.64** |

**Trade payable ageing schedule for the year ended as on March 31, 2026**

| **Outstanding for following periods from due date of payment** | **(i) Outstanding dues to MSME** | **(ii) others** | **Total Trade payable** |
|---|---|---|---|
| Unbilled | - | 10.00 | 10.00 |
| Not due | - | | - |
| Less than 1 year | 137.19 | 1,288.77 | 1,425.96 |
| 1-2 years | - | 472.68 | 472.68 |
| 2-3 years | - | - | - |
| More than 3 years | - | 319.72 | 319.72 |
| **Total** | **137.19** | **2,091.18** | **2,228.37** |

**Trade payable ageing schedule for the year ended as on March 31,2025**

| **Outstanding for following periods from due date of payment** | **(i) Outstanding dues to MSME** | **(ii) others** | **Total Trade payable** |
|---|---|---|---|
| Unbilled | - | 3.90 | 3.90 |
| Not due | - | 56.84 | 56.84 |
| Less than 1 year | - | 198,629.19 | 198,629.19 |
| 1-2 years | - | - | - |
| 2-3 years | - | 4.28 | 4.28 |
| More than 3 years | - | 315.44 | 315.33 |
| **Total** | **-** | **199,009.65** | **199,009.54** |

**14(iii) Other Financial liabilities**

| | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Interest accrued but not due | 18.20 | 36.01 |
| Capital Creditors | 4,233.54 | 12,602.25 |
| Retention Money | 2,380.73 | 2,162.33 |
| **Total other current financial liabilities** | **6,632.47** | **14,800.59** |

**15 Other current liabilities**

| | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Statutory dues | 228.21 | 1,242.21 |
| Deferred revenue arising from government grants | 2,096.50 | 2,831.13 |
| Expense payable | - | 1,342.25 |
| **Total other current liabilities** | **2,324.71** | **5,415.59** |

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

*Amount in Rupees thousand, unless otherwise stated*

| **16 Revenue from operations** | **For the year ended March 31, 2026** | **For the year ended March 31, 2025** |
|---|---|---|
| Job Work Income | 51,891.23 | 26,923.08 |
| Domestic Sales | - | 197,214.21 |
| **Total revenue from operations** | **51,891.23** | **224,137.28** |

| **17 Other income** | **For the year ended March 31, 2026** | **For the year ended March 31, 2025** |
|---|---|---|
| Income related to subsidy on property, plant and equipment | 2,559.83 | 3,456.82 |
| Interest Income from banks & Others | 815.59 | 1,981.18 |
| Net Foreign Exchange Gain | 61.58 | 11.52 |
| **Total other income** | **3,437.00** | **5,449.51** |

| **18 Cost of Materials Consumed** | **For the year ended March 31, 2026** | **For the year ended March 31, 2025** |
|---|---|---|
| Inventory at beginning of the year | - | 47.73 |
| Add: Purchases | - | 46,005.42 |
| Inventory at end of the year | - | - |
| **Total cost of materials Consumed** | **-** | **46,053.15** |

| **19 Changes in inventories of finished goods and work-in-progress** | **For the year ended March 31, 2026** | **For the year ended March 31, 2025** |
|---|---|---|
| **Inventory at the beginning of the year** | | |
| Work-in-progress | - | 47,698.91 |
| Finished goods | - | - |
| | - | 47,698.91 |
| **Inventory at the end of the year** | | |
| Work-in-progress | - | - |
| Finished goods | - | - |
| | - | - |
| **Total changes in inventories of finished goods and work-in-progress** | **-** | **47,698.91** |

| **20 Finance costs** | **For the year ended March 31, 2026** | **For the year ended March 31, 2025** |
|---|---|---|
| Interest | 1,290.46 | 4,344.13 |
| Interest on tax | 0.38 | 2,291.43 |
| Bank & Finance Charges | 1.66 | 1.50 |
| Other borrowing cost | 2,418.85 | 6,090.16 |
| **Total finance costs** | **3,711.34** | **12,727.22** |

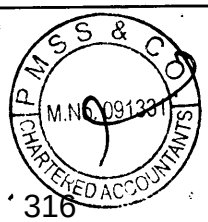
| **21 Other expenses** | **For the year ended March 31, 2026** | **For the year ended March 31, 2025** |
|---|---|---|
| Consumption of Stores & Spare parts | 1,136.29 | 778.65 |
| Freight & forwarding Charges | 91.34 | 75.11 |
| Labour hire Charges | 3,900.00 | 42,937.95 |
| Insurance | 46.06 | 45.69 |
| Communication Expenses | 14.78 | 211.02 |
| Rates and Taxes | 137.37 | 28.75 |
| Rent | 504.00 | 504.00 |
| Legal and Professional Charges (refer note 24) | 234.85 | 170.36 |
| Repair and Maintenance | | |
| Machine | 136.47 | 50.74 |
| Others | 27.50 | 35.04 |
| Charity and Donations | - | 952.01 |
| Sundry Expenses | 0.99 | 20.11 |
| **Total other expenses** | **6,229.64** | **45,809.94** |

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

| 22 Particulars | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| **Capital & other commitments** | | |
| Estimated Value of Contracts on Capital Account remaining to be executed and not provided for (net off advances) | - | 5,636.25 |
| **b) Contingencies** | | |
| Income tax Demand | - | 32,528.45 |
| GST Demand | 2,231.69 | - |

**23 Ratio analysis:**

| Ratio | March 31, 2026 (in times) | March 31, 2025 (in times) | % of Variance | Reason of Variance |
|---|---|---|---|---|
| a) Current Ratio<br>Current Assets / Current Liabilities | 0.40 | 0.38 | 5% | Due to decrease in current liabilities |
| b) Debt- Equity ratio<br>Total Borrowing (Current & non current) / Total Equity | 5.80 | 2.55 | 128% | Due to increase in borrowing and decrease in equity |
| c) Debt Service Coverage Ratio<br>Earnings Available for Debt Services / Debt Service | -2.29 | 2.55 | -247% | Due to reduction in Earnings Available for Debt Services |
| d) Return on Equity<br>Profit after tax / Average Shareholder's Equity | -19.33 | 2.55 | -247% | Due to reduction in profit |
| e) Inventory Turnover ratio<br>Cost of Goods sold / Average Inventory | 0.00 | 392.71 | -100% | Due to change in business model |
| f) Trade Receivable Turnover Ratio<br>Revenue from Operations / Average Trade receivable | 5.80 | 1.18 | 128% | Due to realisation of trade receivable |
| g) Trade Payable Turnover Ratio<br>Purchase / Average Trade payable | 0.00 | 0.11 | -100% | Due to change in business model |
| h) Net Capital Turnover ratio<br>Revenue from Operations / Working Capital | -2.29 | -0.92 | 128% | Due to decrease in revenue |
| i) Net Profit Ratio<br>Profit After Tax / Revenue from Operations | -19.33 | 1.97 | -1291% | Due to losses during the year |
| j) Return on capital Employed<br>Earning before interest and tax / Capital Employed | -2.19 | 1.28 | -127% | Due to decrease in earning before interest and tax |
| k) Return on Investment<br>Finance Income / Investment | The company does not have finance income during during the year ended March 31,2025 and March 31,2026 | | | |



**24 Auditors remuneration (excluding GST)**

| Particulars | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Audit Fee | 10.00 | 3.90 |

**25 Due to micro and small enterprises**

There is no overdue amount outstanding on Micro Enterprises & Small Enterprises as on March 31 , 2026 and March 31 ,2025 .There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

**26 Related Party Disclosure:**

**A. Related Parties**

| (A) Key Management Personnel & their relatives | (B) Holding Company | (B) Associates |
|---|---|---|
| Mr. Harish Ahuja | Shahi Exports Pvt. Ltd. | Mode Prints Pvt. Ltd |
| Mr. Ajay Kataria | | |
| Mr. Anil Chhabra (till 7 July' 2025) | | |
| Mr. Pradeep Kumar Rai (with effect from 7 July' 2025) | | |

**B. Details of Transactions with related parties :**

**For the year ended March 31, 2026**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Rent | 492.00 | - | 12.00 | 504.00 |
| Labour hire charges | 3,900.00 | - | - | 3,900.00 |
| Other expenses | 2,418.85 | - | - | 2,418.85 |
| Income | 51,891.23 | - | - | 51,891.23 |
| Loans received | 223,432.62 | - | - | 223,432.62 |
| Loans repaid | 47,642.92 | 362.15 | - | 48,005.07 |

**For the year ended March 31,2025**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Purchase of goods | 46,005.42 | - | - | 46,005.42 |
| Rent | 492.00 | - | 12.00 | 492.00 |
| Labour hire charges | 40,343.29 | - | - | 40,343.29 |
| Other expenses | 6,090.16 | - | - | 6,090.16 |
| Income | 224,137.28 | - | - | 224,137.28 |
| Loans received | 130,302.72 | - | - | 130,302.72 |
| Loans repaid | 115,260.57 | - | - | 115,260.57 |
| | | - | - | |

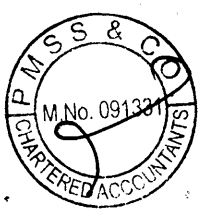
**C. Outstanding Balances**

**As at MARCH 31, 2026**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Trade receivable | - | - | - | - |
| Trade Payable | 1,406.27 | - | 10.80 | 1,417.07 |
| Loan Taken by Company | 327,640.41 | - | - | 327,640.41 |

**As on March 31,2025:**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Trade receivable | 14,544.13 | - | - | 14,544.13 |
| Trade Payable | 187,875.88 | - | 6.00 | 187,881.88 |
| Loan Taken by Company | 151,850.70 | 362.15 | - | 152,212.85 |



## 27 Financial risk management

The Company's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, cash & cash equivalents and other financial assets, which arise directly from its operations. The Board of Directors reviews the financial position and financial performance on periodic basis. The evaluation of various types of risks applicable to Company have been explained below:

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has availed term loans under Technology Upgradation Fund (TUF) scheme bearing MCLR based interest rate. The risk of change in interest rate is moderate and will not have much impact on the profit before tax.

| Particulars | Increase/(decrease) in basis points | Effect on profit before tax |
|---|---|---|
| March 31 , 2026 | 50 | 217.53 |
| March 31 , 2026 | 50 | 771.35 |

**(ii) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, and cash and cash equivalents.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required.

**(iii) Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and securities, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following table shows a maturity analysis of the anticipated cash flows for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

| Particulars | 0-1 year | > 1 year | Total |
|---|---|---|---|
| | | | |
| **March 31 , 2026** | | | |
| Borrowings | 329,696.40 | 1,028.00 | 330,724.39 |
| Trade payables | 1,435.96 | 792.41 | 2,228.37 |
| Other financial liabilities | 6,632.47 | | 6,632.47 |
| | **337,764.83** | **1,820.40** | **339,585.24** |
| **March 31, 2025** | | | |
| Borrowings | 173,215.85 | 3,083.99 | 176,299.84 |
| Trade payables | 198,689.92 | 319.72 | 199,009.65 |
| Other financial liabilities | 14,800.59 | | 14,800.59 |
| | **386,706.36** | **3,403.71** | **390,110.07** |

## 28 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and long term and short term bank borrowings.
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings.

| Credit risk | March 31 , 2026 | March 31, 2025 |
|---|---|---|
| Trade receivables | | 14,544.13 |
| Balances with bank, bank deposits | 19,119.74 | 8,666.46 |
| Other financial assets | 58.85 | 379.18 |
| **Total** | **19,178.60** | **23,589.77** |

## 29 Contribution to political parties

There are no Contribution to political parties in year ending March 31, 2026 and year ending March 31, 2025.



**30** Deferred tax assets are recognized to the extent that it is probable that sufficient taxable profits will be available to realize the deductible temporary difference or carryforward of unused tax losses or tax credits. Un-recognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

**31** During te year the registerted address of the company has shifted from National capital territory of Dehi to State of Haryana.

**32** Previous year figures have been regrouped to confirm to current year's classification.

As per report of even date
**For PMSS & Co.**
Chartered Accountants
Firm registration number : 019667N

**Puneet Mishra**
Partner
Membership number : 091331
Place: FARIDABAD
Date: 31/08/2026

PMSS & CO. M.No. 091331 CHARTERED ACCOUNTANTS

**For and on behalf of The Board of Directors of**
**HSA Apparel Private Limited**

**Ajay Kataria**
(Director)
DIN - 09748405

**Pradeep Kumar Rai**
(Director)
DIN - 11185346

**HSA APPAREL PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17120DL2008PTC181127**
**PROVISIONAL (UNAUDITED) STANDALONE BALANCE SHEET AS AT JUNE 30, 2026**

*Amount in Rupees thousands, unless otherwise stated*

| Particulars | Notes | As at June 30, 2026 | As at March 31, 2026 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 256,912.35 | 269,181.33 |
| Financial assets | 4 | 810.00 | 10.00 |
| Deferred tax assets (Net) | 5 | 3,896.56 | 3,896.56 |
| **Total non-current assets** | | **261,618.91** | **273,087.89** |
| **Current assets** | | | |
| Financial assets | 6 | | |
| (i) Trade receivables | 6(i) | 8,990.91 | - |
| (ii) Cash and cash equivalents | 6(ii) | 3,454.38 | 15,413.56 |
| (iii) Bank balances other than balances (ii) above | 6(iii) | - | 3,706.17 |
| (iv) Other financial assets | 8(iv) | - | 48.85 |
| Current tax assets | 7 | 2,263.69 | 2,089.11 |
| Other current assets | 8 | 113,965.54 | 114,242.52 |
| **Total current assets** | | **128,674.52** | **135,500.21** |
| **TOTAL ASSETS** | | **390,293.43** | **408,588.10** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 9 | 100.00 | 100.00 |
| Other Equity | 10 | 52,346.63 | 56,951.11 |
| **Total Equity** | | **52,446.63** | **57,051.11** |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 11 | 514.00 | 1,028.00 |
| Other non current liabilities | 12 | 9,102.92 | 9,627.04 |
| **Total non- current liabilities** | | **9,616.92** | **10,655.04** |
| **Current liabilities** | | | |
| Financial liabilities | 13 | | |
| (i) Borrowings | 13(i) | 318,522.04 | 329,696.40 |
| (ii) Trade payables | 13(ii) | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | 137.19 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 6,165.27 | 2,091.18 |
| (iii) Other financial liabilities | 13(iii) | 14.68 | 6,632.47 |
| Other current liabilities | 14 | 3,527.89 | 2,324.71 |
| **Total current liabilities** | | **328,229.88** | **340,881.95** |
| **TOTAL EQUITY AND LIABILITIES** | | **390,293.43** | **408,588.10** |

The accompanying notes are an integral part of the financial statements. 2

**For and on Behalf of The Board of Directors of**
**HSA Apparel Private Limited**

sd/-
**Ajay Kataria**
(Director)
DIN - 09748405

sd/-
**Pradeep Kumar Rai**
(Director)
DIN - 11185346

Date: November 2,2026
Place: Faridabad

**HSA APPAREL PRIVATE LIM ITED**

**CORPORATE IDENTIFICATION NUM BER - U17120DL2008PTC181127**

**PROVISIONAL (UNAUDITED) STANDALONE STATEM ENT OF PROFIT & LOSS FOR THE PERIOD ENDED JUNE 30, 2026**

*Amount in Rupees thousands, unless otherwise stated*

| Particulars | Note | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 15 | 8,729.03 | 51,891.23 |
| Other income | 16 | 577.01 | 3,437.00 |
| **Total Income** | | **9,306.04** | **55,328.23** |
| | | | |
| **EXPENSES** | | | |
| Finance Costs | 17 | 653.65 | 3,711.34 |
| Depreciation and amortization expenses | 3 | 12,269.48 | 57,596.36 |
| Other expenses | 18 | 987.39 | 6,229.64 |
| **Total Expenses** | | **13,910.52** | **67,537.34** |
| | | | |
| **Profit/(Loss) before adjustment** | | **(4,604.48)** | **(12,209.11)** |
| **Adjustments** | | | |
| **Tax Expense:** | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| | | **-** | **-** |
| | | | |
| **Profit/(Loss) for the year (1)** | | **(4,604.48)** | **(12,209.11)** |
| | | | |
| **Other Comprehensive Income** | | - | - |
| *Items that may be reclassified to profit or loss* | | - | - |
| **Other Comprehensive income/(Loss) for the year (2)** | | | |
| | | | |
| **Total Comprehensive income for the year (1+2)** | | **(4,604.48)** | **(12,209.11)** |
| Earning per Share of Rs 10 each (Previous year : Rs 10) | | | |
| Basic & Diluted (in Rs.) | | **(460.45)** | **(1,220.91)** |

The accompanying notes are an integral part of the financial statements. 2

**For and on Behalf of The Board of Directors of**
**HSA Apparel Private Limited**

sd/- sd/-

**Ajay Kataria** (Director) DIN - 09748405

**Pradeep Kumar Rai** (Director) DIN - 11185346

Date: November 2,2026
Place: Faridabad

**HSA APPAREL PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17120DL2008PTC181127**
**PROVISIONAL (UNAUDITED) STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2026**

*Amount in Rupees thousands, unless otherwise stated*

| | Particulars | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|---|
| A | **Cash From Operating Activities** | | |
| | **Net Profit/(loss) Before Tax and Extraordinary Items** | **(4,604.48)** | **(12,209.11)** |
| | **Adjusted for:** | | |
| | Depreciation and Amortization | 12,269.48 | 57,596.36 |
| | Borrowing cost | 653.65 | 3,711.34 |
| | Interest and other Income | (51.82) | (815.59) |
| | Income related to subsidy on property, plant and equipment | (524.13) | (2,559.83) |
| | Net Foreign Exchange Gain | - | (61.58) |
| | **Operating Profit/(Loss) Before Working Capital Change** | **7,742.70** | **45,661.59** |
| | Adjustment for: | | |
| | (Increase)/Decrease in Other financial Assets | - | 220.33 |
| | (Increase)/Decrease in Inventories | - | - |
| | (Increase)/Decrease in Debtors | (8,990.91) | 14,544.13 |
| | (Increase)/Decrease in Other Current Assets | 198.36 | (2,797.91) |
| | Increase/(Decrease) in Creditors | 3,936.90 | (196,719.69) |
| | Increase/(Decrease) in Current and financial Liabilities | 1,206.69 | (2,356.23) |
| | **Cash Generated From Operations** | **4,093.74** | **(141,447.79)** |
| | (Taxes Paid)/Net of Refund | - | 7,065.01 |
| | **Net Cash From Operations** | **4,093.74** | **(134,382.78)** |
| B | **Cash Flow From Investing Activities** | | |
| | Increase/(Decrease) in Non Current Liabilities | (6,617.79) | (8,150.30) |
| | (Purchase)/Sale of non current assets | (800.00) | (2,167.22) |
| | Grant received | - | 3,422.26 |
| | Interest income | 4.72 | 1,035.92 |
| | **Net Cash From Investing Activities** | **(7,414.07)** | **(5,859.34)** |
| C | **Cash Flow From Financing Activities** | | |
| | Proceeds/ (Repayment) of Borrowings (net) | (11,687.85) | 154,424.56 |
| | Borrowing cost | (604.71) | (2,418.85) |
| | Finance cost | (52.46) | (1,310.31) |
| | **Net Cash From Financing Activities** | **(12,345.02)** | **150,695.41** |
| D | **Net Increase/(Decrease)in Cash and Cash Equivalents** | **(15,665.35)** | **10,453.28** |
| E | **Opening Balance of Cash And Cash Equivalents** | **19,119.74** | **8,666.46** |
| F | **Closing Balance of Cash And Cash Equivalents (D+E)** | **3,454.38** | **19,119.74** |
| | **Cash and cash equivalents comprises:** | | |
| | Cash on hand | 12.33 | 12.33 |
| | Deposits | 3,188.99 | 3,706.18 |
| | Balance with banks | 253.06 | 15,401.23 |
| | (Refer note 6(ii) and 6(iii) for components of cash and cash equivalents | **3,454.38** | **19,119.74** |

The accompanying notes are an integral part of the financial statements. 2

**For and on Behalf of The Board of Directors**
**HSA Apparel Private Limited**

sd/- sd/-

**Ajay Kataria** (Director) DIN - 09748405

**Pradeep Kumar Rai** (Director) DIN - 11185346

Date: November 2,2026
Place: Faridabad

**HSA APPAREL PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U17120DL2008PTC181127**
**PROVISIONAL (UNAUDITED) STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED JUNE 30, 2026**

*Amount in Rupees thousands, unless otherwise stated*

**A. Equity Share Capital**

| Particulars | Number | Amount |
|---|---|---|
| **As at 31 March 2025** | 10,000.00 | 100.00 |
| Changes in equity share capital | - | - |
| **As at March 31, 2026 (Audited)** | 10,000.00 | 100.00 |
| Changes in equity share capital | - | - |
| **As at June 30, 2026 (Provisional)** | 10,000.00 | 100.00 |

**B. Other Equity**

**For the year ended March 31, 2026 (Audited)**

| Description | Reserves and Surplus | |
|---|---|---|
| | Retained Earnings | Total |
| **As at 31 March 2025** | **69,160.22** | **69,160.22** |
| Profit for the year | (12,209.11) | (12,209.11) |
| Other Comprehensive Income | - | - |
| **Total Comprehensive Income for the year** | **56,951.11** | **56,951.11** |
| Dividend Paid | - | - |
| | | |
| **As at March 31, 2026 (Audited)** | **56,951.11** | **56,951.11** |

**For the period ended June 30, 2026 (Provisional)**

| Description | Reserves and Surplus | |
|---|---|---|
| | Retained Earnings | Total |
| **As at March 31, 2026 (Audited)** | **56,951.11** | **56,951.11** |
| Profit for the year | (4,604.48) | (4,604.48) |
| Other Comprehensive Income | - | - |
| **Total Comprehensive Income for the year** | **52,346.63** | **52,346.63** |
| Dividend Paid | - | - |
| | | |
| **As at June 30, 2026 (Provisional)** | **52,346.63** | **52,346.63** |

**For and on Behalf of The Board of Directors**
**of HSA Apparel Private Limited**

sd/- sd/-

**Ajay Kataria** (Director) DIN - 09748405

**Pradeep Kumar Rai** (Director) DIN - 11185346

Date: November 2,2026
Place: Faridabad

**HSA APPAREL PRIVATE LIMITED**
**Provisional (Unaudited) Notes to Financial Statements for period ended as at June 30, 2026**

## 1 General Information

The company is primarily engaged in the business of designing, manufacturing and selling, wide range of readymade garments and fabric items and caters to the needs of several leading international fashion brands and retailers.

## 2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of the Company. These policies have been consistently applied to all the periods presented.

### 2.1 Basis of preparation of financial Statements

**Compliance with Indian Accounting Standard (Ind AS) and Historical cost convention**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III of the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

These Ind AS financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values.

The accounting policies are applied consistently to all the periods presented in financial statements, including the preparation of Ind AS Balance sheet as at 1st April 2017 being the date of transition to Ind AS.

**Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

### 2.2 Current/Non-Current Classification

Any Asset/Liability is classified as current, if it satisfies any of the following criteria:

(a) it is expected to be realized/settled in the company's normal operating cycle;
(b) it is expected to be realized/settled within twelve months after the reporting date;
(c) In the case of an asset :
-It is held primarily for the purpose of being traded
-It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
(d) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

All other assets/liabilities are classified as non-current.

## 2.3 Property, plant and equipment

Land is carried at historical cost and is not depreciated. Capital work in progress (CWIP) comprises of the cost of assets not ready for intended use as on the Balance sheet date. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of asset and recognised in profit or loss.

Depreciation is provided on a pro-rata basis using written down value (WDV) method based on useful lives of the assets estimated by the management which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**Intangible assets**

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets relating to Computer Software are depreciated over the estimated useful lives which is equal to the corresponding rates prescribed under schedule II of the Companies Act 2013 commencing from the date that they are available for use.

## 2.4 Inventories

Raw materials, packing materials, stores, spares, consumables and other material are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

## 2.5 Revenue recognition

**i) Revenue from contracts with customers**
Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Company is generally the principal as it typically controls the goods before transferring them to the customer.
Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

**ii) Interest income**
Interest Income is recognized, when it is probable that the economic benefits will flow to the Company, on a time proportion basis taking into account the outstanding amount and the applicable interest rate.

**iii) Dividends**
Dividend income on investments is accounted when the right to receive the dividend is established.

**2.6 Government Grants and Export incentives**

Government Grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is netted off with the relevant expense. Where the grants relates to an asset, it is recognized as income over the expected useful life of the related assets.

**2.7 Foreign currency transactions**

**Functional Currency**

The functional currency of the company is the Indian Rupee.

**Transactions and translations**

Transactions in foreign currencies are translated at the exchange rates prevailing on the date of transaction. Foreign exchange gains and losses resulting from the settlement of transaction in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currency at year end exchange rates are generally recognized in Profit and Loss.

Forward currency contract are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative. Change in the fair value of forward contract are recognized through Other Comprehensive Income as forward contracts are not against underlying assets/liabilities.

**2.8 Employee Benefits**

(i) Short-term Obligations
All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**(ii) Other long-term employee benefit obligations**
The liabilities for earned leave are expected to be settled after the retirement of employee. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

**2.9 Taxation**

Tax expense for the year comprises current and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred income tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

**2.10 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.

**2.11 a) Impairment of non-financial assets**

As at the end of each accounting year, the company reviews the carrying amounts of its property, plant and equipment, intangible assets and investments in subsidiary companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**b) Impairment of other financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables, loans and other financial assets etc. on a case to case basis. The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**2.12 Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

**2.13 Earnings per Share**

**Basic earnings per share**
Basic earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**
Diluted earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

**2.14 Lease**

Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

**2.15 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

**2.16 Recent pronouncements**
The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

**(a) Ind AS 1 – Presentation of Financial Statements** Clarifications on classification of liabilities as current or non-current, including the impact of loan covenants and rights to defer settlement.

**(b) Supplier Finance Arrangements** – Amendments to Ind AS 7 and Ind AS 107 As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company will provide new disclosures for liabilities under supplier finance arrangements , if applicable.

**(c) International Tax Reform** – Pillar Two Model Rules – Amendments to Ind AS 12 The Ministry of Corporate Affairs (MCA) has notified amendments to Ind AS 12, Income Taxes, to incorporate the OECD Pillar Two Model Rules. These amendments introduce specific disclosure requirements for entities that may be subject to Pillar Two income tax. Pillar Two legislation has not yet been enacted in India, where the company is headquartered. Accordingly, no adjustments have been made to these financial statements in respect of Pillar Two income taxes. The Company will continue to monitor developments in India and other jurisdictions in which it operates, and will evaluate the impact of such legislation as and when it becomes applicable.
**(d) Lack of Exchangeability** – Amendments to Ind AS 21 The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**2.17 New and amended standards not yet adopted**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Ind AS 1 – Presentation of Financial Statements Clarifications on classification of liabilities as current or non-current, basis the timing of waiver granted by the lender on breach of a material provision. Once effective, the company does not expect this amedment to have a material impact on its operations or financial statements.

**HSA APPAREL PRIVATE LIMITED**
**Provisional (Unaudited) Notes to Financial Statements for period ended as at June 30, 2026**

**3 Property, Plant & Equipment**

*Amount in Rupees thousands, unless otherwise stated*

| | Gross Block at Cost | | | | Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| **Particulars** | **As at April 1,2026** | **Additions** | **Deductions** | **As at June 30, 2026** | **As at April 1,2026** | **For the year** | **Deductions** | **As at June 30, 2026** | **As at June 30, 2026** |
| | | | | | | | | | |
| Plant & Machinery | 525,696.98 | | - | 525,696.98 | 257,806.85 | 12,155.12 | - | 269,961.97 | 255,735.51 |
| Electricals | 3,111.47 | - | - | 3,111.47 | 1,957.26 | 74.91 | - | 2,032.16 | 1,079.31 |
| Furnitures & Fixtures | 1,686.60 | - | - | 1,686.60 | 1,581.62 | 39.46 | - | 1,621.07 | 65.52 |
| Computers | 640.35 | - | - | 640.35 | 608.33 | | - | 608.33 | 32.02 |
| | | | | | | | | | |
| **TOTAL** | **531,135.39** | **-** | **-** | **531,135.39** | **261,954.06** | **12,269.48** | **-** | **274,223.53** | **256,912.35** |
| | | | | | | | | | |

| | Gross Block at Cost | | | | Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| **Particulars** | **As at April 1,2025** | **Additions** | **Deductions** | **As at March 31, 2026** | **As at April 1,2025** | **For the year** | **Deductions** | **As at March 31, 2026** | **As at March 31, 2026** |
| | | | | | | | | | |
| Plant & Machinery | 511,726.65 | 13,970.33 | - | 525,696.98 | 200,974.26 | 56,832.59 | - | 257,806.85 | 267,890.12 |
| Electricals | 3,111.47 | - | - | 3,111.47 | 1,554.04 | 403.22 | - | 1,957.26 | 1,154.21 |
| Furnitures & Fixtures | 1,686.60 | - | - | 1,686.60 | 1,261.97 | 319.65 | - | 1,581.62 | 104.98 |
| Computers | 640.35 | - | - | 640.35 | 567.43 | 40.90 | - | 608.33 | 32.02 |
| | | | | | | | | | |
| **TOTAL** | **517,165.06** | **13,970.33** | **-** | **531,135.39** | **204,357.70** | **57,596.36** | **-** | **261,954.06** | **269,181.33** |
| | | | | | | | | | |

**HSA APPAREL PRIVATE LIMITED**
**Provisional (Unaudited) Notes to Financial Statements for period ended as at June 30, 2026**

*Amount in Rupees thousands, unless otherwise stated*

| 4 | Other Financial Assets -Non Current | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|---|
| | Deposits with maturity more than 12 months | 800.00 | - |
| | Security deposits | 10.00 | 10.00 |
| | **Total other financial assets -Non Current** | **810.00** | **10.00** |

| 5 | Deferred tax assets (Net) | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|---|
| | Related to property, plant & equipments | 3,896.56 | 3,896.56 |
| | **Total deferred tax assets** | **3,896.56** | **3,896.56** |

**6 Financial Assets - Current**

| 6(i) | Trade receivables | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|---|
| | Unsecured, considered good | 8,990.91 | - |
| | **Total trade receivables** | **8,990.91** | **-** |

**Trade receivables ageing schedule for the year ended as on June 30, 2026**

| | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Current but not due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Undisputed trade receivables - considered good | - | 8,990.91 | - | - | - | - | 8,990.91 |
| Undisputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| Disputed trade receivables - considered good | - | - | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| | - | 8,991 | - | - | - | - | 8,991 |

**Trade receivables ageing schedule for the year ended as on March 31, 2026**

| | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Current but not due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Undisputed trade receivables - considered good | - | - | - | - | - | - | - |
| Undisputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| Disputed trade receivables - considered good | - | - | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |

| 6(ii) | Cash and cash equivalents | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|---|
| | Balances with Banks | | |
| | - in Current Accounts | 253.06 | 15,401.23 |
| | - in deposits (maturity less than 3 months) | 3,188.99 | - |
| | Cash on hand | 12.33 | 12.33 |
| | **Total cash and cash equivalents** | **3,454.38** | **15,413.56** |

| 6(iii) | Bank balances other than (ii) above | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|---|
| | Deposits with maturity more than 3 months and less than 12 months | - | 3,706.17 |
| | **Total bank balances other than (ii) above** | **-** | **3,706.17** |

| 8(iv) | Other financial assets | As at JUNE 30, 2026 | March 31 , 2026 |
|---|---|---|---|
| | Interest accrued | - | 48.85 |
| | **Total other financial assets** | **-** | **48.85** |

| 7 | Current tax assets | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|---|
| | Taxes paid (net of provision) | 2,263.69 | 2,089.11 |
| | **Total current tax assets** | **2,263.69** | **2,089.11** |

| 8 | Other current assets | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|---|
| | Interest accrued | 95.95 | - |
| | Subsidy receivable | 14,181.43 | 14,181.43 |
| | Advance to Suppliers | 947.91 | 947.91 |
| | Balance with Statutory/Govt. authorities | 98,740.25 | 99,113.19 |
| | **Total other current assets** | **113,965.54** | **114,242.52** |

**HSA APPAREL PRIVATE LIMITED**
**Provisional (Unaudited) Notes to Financial Statements for period ended as at June 30, 2026**

*Amount in Rupees thousands, unless otherwise stated*

**9 Share Capital**

| **Authorised equity share capital** | **As at JUNE 30, 2026** | **As at MARCH 31, 2026** |
|---|---|---|
| 1,00,000 equity shares of Rs.10 each<br>(Previous year 1,00,000 equity shares of Rs.10 each) | 1,000 | 1,000 |
| **Issued, Subscribed and fully paid up shares**<br>10,000 equity shares of Rs.10 each<br>(Previous year 10,000 equity shares of Rs.10 each) | 100 | 100 |
| | 100 | 100 |

**(i) Reconciliation of shares outstanding at the beginning and at the end of the year**

| **Equity Shares** | **As at JUNE 30, 2026** | **As at MARCH 31, 2026** |
|---|---|---|
| At the beginning of the year | 10,000 | 10,000 |
| Issued during the year | - | - |
| **Outstanding at the end of the year** | 10,000 | 10,000 |

**(ii) Terms and rights attached to equity shares**

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**(iii) Details of shareholders holding more than 5% shares in the Company**

| **Name of Shareholder** | **Equity Shares** | | | |
|---|---|---|---|---|
| | **As at JUNE 30, 2026** | | **March 31 , 2026** | |
| | **No. of Shares held** | **% of Holding** | **No. of Shares held** | **% of Holding** |
| Shahi Exports Private Limited | 9,999 | 99.99% | 9,999 | 99.99% |

**d) Shares held by promoters**
**As at June 30, 2026 (Provisional)**

| **Promoter Name** | **No. of shares at the beginning of the year** | **Change during the year** | **No. of shares at the end of the year** | **% change during the year** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | - | 9,999 | - |
| Mr. Harish Ahuja (Nominee) | 1 | | 1 | - |

**As at 31 March 2025:**

| **Promoter Name** | **No. of shares at the beginning of the year** | **Change during the year** | **No. of shares at the end of the year** | **% change during the year** |
|---|---|---|---|---|
| Shahi Exports Private Limited | 9,999 | - | 9,999 | - |
| Mr. Harish Ahuja (Nominee) | 1 | - | 1 | - |

**10 Other equity**

| **Reserve & Surplus** | **As at JUNE 30, 2026** | **As at MARCH 31, 2026** |
|---|---|---|
| Opening balance | 56,951.11 | 69,160.22 |
| Opening balance to be posted | | |
| Net profit for the year | (4,604.48) | (12,209.11) |
| **Closing balance** | **52,346.63** | **56,951.11** |
| **Total other equity** | **52,346.63** | **56,951.11** |

*Amount in Rupees thousands, unless otherwise stated*

**Financial liabilities - Non current**

**11 Borrowings - Non Current**

| | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Term loans from bank (Secured) | 514.00 | 1,028.00 |
| **Total Borrowings - Non Current** | **514.00** | **1,028.00** |

FD-backed Term loan from HDFC Bank has been availed at mutually agreed rate, repayable in five years.

**12 Other non current liabilities**

| | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Deferred revenue arising from government grants | 9,102.92 | 9,627.04 |
| **Total other non current liabilities** | **9,102.92** | **9,627.04** |

**13 Financial Liabilities - current**

**13(i) Borrowings**

| | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Current maturities of non-current borrowing (Refer note 11) | 2,055.99 | 2,055.99 |
| Loan from related parties | 316,465.04 | 327,640.40 |
| **Total borrowings** | **318,522.04** | **329,696.40** |

**13(ii) Trade Payables**

| | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 22) | - | 137.19 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 6,165.27 | 2,091.18 |
| **Total trade payables** | **6,165.27** | **2,228.37** |

**Trade payable ageing schedule for the year ended as on June 30, 2026**

| Outstanding for following periods from due date of payment | (i) Outstanding dues to MSME | (ii) others | Total Trade payable |
|---|---|---|---|
| Unbilled | - | | - |
| Not due | - | - | - |
| Less than 1 year | - | 5,372.86 | 5,372.86 |
| 1-2 years | - | 472.68 | 472.68 |
| 2-3 years | - | - | - |
| More than 3 years | - | 319.72 | 319.72 |
| **Total** | **-** | **6,165.27** | **6,165.27** |

**Trade payable ageing schedule for the year ended as on March 31, 2026**

| Outstanding for following periods from due date of payment | (i) Outstanding dues to MSME | (ii) others | Total Trade payable |
|---|---|---|---|
| Unbilled | - | 10.00 | 10.00 |
| Not due | - | | - |
| Less than 1 year | 137.19 | 1,288.77 | 1,425.96 |
| 1-2 years | - | 472.68 | 472.68 |
| 2-3 years | - | - | - |
| More than 3 years | - | 319.72 | 319.61 |
| **Total** | **137.19** | **2,091.18** | **2,228.26** |

**13(iii) Other Financial liabilities**

| | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Interest accrued but not due | 14.68 | 18.20 |
| Capital Creditors | - | 4,233.54 |
| Retention Money | - | 2,380.73 |
| **Total other current financial liabilities** | **14.68** | **6,632.47** |

**14 Other current liabilities**

| | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Statutory dues | 6.67 | 228.21 |
| Deferred revenue arising from government grants | 2,096.50 | 2,096.50 |
| Expense payable | 1,424.71 | - |
| **Total other current liabilities** | **3,527.89** | **2,324.71** |

*Amount in Rupees thousands, unless otherwise stated*

**15 Revenue from operations**

| | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Job Work Income | 8,729.03 | 51,891.23 |
| **Total revenue from operations** | **8,729.03** | **51,891.23** |

**16 Other Income**

| | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Income related to subsidy on property, plant and equipment | 524.13 | 2,559.83 |
| Interest Income from banks & Others | 51.82 | 815.59 |
| Net Foreign Exchange Gain | - | 61.58 |
| Other income | 1.06 | - |
| **Total other income** | **577.01** | **3,437.00** |

**17 Finance costs**

| | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Interest | 48.94 | 1,290.46 |
| Interest on tax | - | 0.38 |
| Bank & Finance Charges | - | 1.66 |
| Other borrowing cost | 604.71 | 2,418.85 |
| **Total finance costs** | **653.65** | **3,711.34** |

**18 Other expenses**

| | For the period ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Consumption of Stores & Spare parts | - | 1,136.29 |
| Freight & forwarding Charges | 28.75 | 91.34 |
| Labour hire Charges | 800.00 | 3,900.00 |
| Insurance | - | 46.06 |
| Communication Expenses | - | 14.78 |
| Rates and Taxes | - | 137.37 |
| Rent | 126.00 | 504.00 |
| Legal and Professional Charges | 19.00 | 234.85 |
| (refer note 21) | | - |
| Repair and Maintenance | | - |
| Machine | 13.64 | 136.47 |
| Others | - | 27.50 |
| Sundry Expenses | - | 0.99 |
| **Total other expenses** | **987.39** | **6,229.64** |

**HSA Apparel Private Limited**
**Provisional (Unaudited) Notes to Financial Statements for period ended as at June 30, 2026**

*Amount in Rupees thousands, unless otherwise stated*

| 19 Particulars | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| **Contingencies** | | |
| GST Demand | 2,231.69 | 2,231.69 |

**20 Ratio analysis:**

| Ratio | June 30, 2026 (in times) | March 31, 2026 (in times) | % of Variance | Reason of Variance |
|---|---|---|---|---|
| a) Current Ratio<br>Current Assets / Current Liabilities | 0.39 | 0.40 | -1% | Variation less than 25% |
| b) Debt- Equity ratio<br>Total Borrowing (Current & non current) / Total Equity | 6.08 | 5.80 | 5% | Variation less than 25% |
| c) Debt Service Coverage Ratio<br>Earnings Available for Debt Services / Debt Service | -6.04 | -2.29 | 164% | Due to reduction in profit and debt to be serviced |
| d) Return on Equity<br>Profit after tax / Average Shareholder's Equity | -8.41 | -19.33 | -56% | Due to losses during the year |
| e) Inventory Turnover ratio<br>Cost of Goods sold / Average Inventory | The company does not have cost of goods sold during the year ended May 31,2026 and March 31,2026 | | | |
| f) Trade Receivable Turnover Ratio<br>Revenue from Operations / Average Trade receivable | 1.94 | 7.14 | -73% | Due to realisation of trade receivable during the year end |
| g) Trade Payable Turnover Ratio<br>Purchase / Average Trade payable | The company does not have purchases during the year ended June 30,2026 and March 31,2026 | | | |
| h) Net Capital Turnover ratio<br>Revenue from Operations / Working Capital | -0.04 | -0.25 | -83% | Due to decrease in revenue |
| i) Net Profit Ratio<br>Profit After Tax / Revenue from Operations | -52.75 | -23.53 | 124% | Due to decrease in profits and revenue |
| j) Return on capital Employed<br>Earning before interest and tax / Capital Employed | -1.06 | -2.19 | -51% | Due to decrease in earning before interest and tax |
| k) Return on Investment<br>Finance Income / Investment | The company does not have finance income during the year ended June 30,2026 and March 31,2026 | | | |

*Amount in Rupees thousands, unless otherwise stated*

**21 Auditors remuneration (excluding GST)**

| Particulars | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Audit Fee | 10.00 | 10.00 |

**22 Due to micro and small enterprises**

There is no overdue amount outstanding on Micro Enterprises & Small Enterprises as on June 30 , 2026 and March 31 , 2026 . There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

**23 Related Party Disclosure:**

**A. Related Parties**

| (A) Key Management Personnel & their relatives | (B) Holding Company | (B) Associates |
|---|---|---|
| Mr. Harish Ahuja<br>Mr. Ajay Kataria<br>Mr. Anil Chhabra (till 7 July' 2025)<br>Mr. Pradeep Rai (with effect from 7 July' 2025) | Shahi Exports Pvt. Ltd. | Mode Prints Pvt. Ltd |

**B. Details of Transactions with related parties :**

**For the period ended June 30, 2026**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Rent | 123.00 | - | 3.00 | 126.00 |
| Labour hire charges | 800.00 | - | - | 800.00 |
| Other expenses | 604.71 | - | - | 604.71 |
| Income | 8,729.03 | - | - | 8,729.03 |
| Loans received | 3,824,640.00 | - | - | 3,824,640.00 |
| Loans repaid | 15,000.00 | - | - | 15,000.00 |

**For the year ended March 31, 2026**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Rent | 492.00 | - | 12.00 | 504.00 |
| Labour hire charges | 3,900.00 | - | - | 3,900.00 |
| Other expenses | 2,418.85 | - | - | 2,418.85 |
| Income | 51,891.23 | - | - | 51,891.23 |
| Loans received | 223,432.62 | - | - | 223,432.62 |
| Loans repaid | 47,642.92 | 362.15 | - | 48,005.07 |

**C. Outstanding Balances**

**As at JUNE 30, 2026**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Trade receivable | 8,990.91 | - | - | 8,990.91 |
| Trade Payable | 1,525.93 | - | 13.50 | 1,539.43 |
| Other Payable | 1,404.71 | - | - | 1,404.71 |
| Loan Taken by Company | 316,465.04 | - | - | 316,465.04 |

**As at MARCH 31, 2026**

| Particulars | Holding Company | Key Management Personnel & their relatives | Associate company | Total |
|---|---|---|---|---|
| Trade receivable | - | - | - | - |
| Trade Payable | 1,406.27 | - | 10.80 | 1,417.07 |
| Loan Taken by Company | 327,640.41 | - | - | 327,640.41 |

## 24 Financial risk management

The Company's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, cash & cash equivalents and other financial assets, which arise directly from its operations. The Board of Directors reviews the financial position and financial performance on periodic basis. The evaluation of various types of risks applicable to Company have been explained below:

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has availed term loans under Technology Upgradation Fund (TUF) scheme bearing MCLR based interest rate. The risk of change in interest rate is moderate and will not have much impact on the profit before tax.

| Particulars | Increase/(decrease) in basis points | Effect on profit before tax |
|---|---|---|
| June 30 , 2026 | 50.00 | 39.61 |
| March 31 , 2026 | 50.00 | 217.53 |

**(ii) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, and cash and cash equivalents.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required.

**(iii) Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and securities, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following table shows a maturity analysis of the anticipated cash flows for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

| Particulars | 0-1 year | > 1 year | Total |
|---|---|---|---|
| | | | |
| **As at JUNE 30, 2026** | | | |
| Borrowings | 318,522.04 | 514.00 | 319,036.04 |
| Trade payables | 5,372.86 | 792.41 | 6,165.27 |
| Other financial liabilities | 14.68 | - | 14.38 |
| | **323,909.58** | **1,306.40** | **325,215.68** |
| **As at MARCH 31, 2026** | | | |
| Borrowings | 329,696.40 | 1,028.00 | 330,724.39 |
| Trade payables | 1,435.96 | 792.30 | 2,228.26 |
| Other financial liabilities | 6,632.47 | - | 6,632.47 |
| | **337,764.83** | **1,820.29** | **339,585.13** |

## 25 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans.

The funding needs are met through cash generated from operations and long term and short term bank borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings.

| Credit risk | As at JUNE 30, 2026 | As at MARCH 31, 2026 |
|---|---|---|
| Trade receivables | 8,990.91 | - |
| Balances with bank, bank deposits | 3,454.38 | 19,119.73 |
| Other financial assets | 810.00 | 58.85 |
| **Total** | **13,255.29** | **19,178.59** |

## 26 Contribution to political parties

There are no Contribution to political parties in period ending June 30, 2026 and year ending March 31, 2026.

**27** Deferred tax assets are recognized to the extent that it is probable that sufficient taxable profits will be available to realize the deductible temporary difference or carryforward of unused tax losses or tax credits. Un-recognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

**28** During the previous year the registerted address of the company was shifted from Dehi to Haryana.

**29** Previous year figures have been regrouped to confirm to current year's classification.

**30** Provisional figures are reported for period ending June 30, 2026 and year ending March 31, 2026.

**For and on behalf of The Board of Directors of**
**HSA Apparel Private Limited**

sd/-

**Ajay Kataria**
(Director)
DIN - 09748405

sd/-

**Pradeep Kumar Rai**
(Director)
DIN - 11185346

Date: November 2,2026
Place: Faridabad

PMSS & CO.
CHARTERED ACCOUNTANTS

Office Add. : 118 B, G. F., Sector- 30-33,
Indraprastha Colony, Faridabad -121003

Ph. : 0129 - 4108211 Mob. : 9811797396
e-mail : camishrajipuneet@gmail.com

Date .....

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Shahi Garments Private Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

1. We have audited the accompanying standalone financial statements of **Shahi Garments Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 it's profit including total comprehensive income and changes in equity for the year then ended.

**Basis for Opinion**

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs"), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 ("the ICAI") 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.

**Other Information**

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

PMSS & CO. M.No. 091331 CHARTERED ACCOUNTANTS

6. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the standalone financial statements**

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.

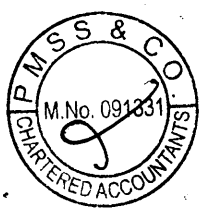
8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate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

**Auditors' Responsibilities for the Audit of the standalone financial statements**

9. 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.

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

    a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of 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.



b) 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)(a) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal controls with reference to financial statements in place and the operating effectiveness of such controls.

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

d) Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) 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.

11. 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.

12. 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.

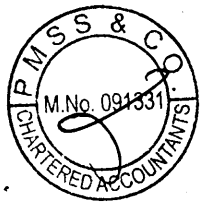
**Report on Other Legal and Regulatory Requirements**

13. As required by the Companies (Auditor's Report) Order, 2020 ('the order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable in the case of the Company.

14. 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.

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



c) The Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including other comprehensive income) and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.

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

g) With respect to the adequacy of the internal controls over financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.

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

i. The Company does not have any pending litigations which would impact on its financial position in its standalone financial statements.

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

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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(ides), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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



c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. The company has not declared or paid any dividend during the year

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

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

**For PMSS & Co.**
Chartered Accountants
(ICAI Firm Registration No. 019667N)

M.No. 091331

**Puneet Mishra**
Partner
(Membership no. 091331)
UDIN: 26091331CCUWXK9104

Place: Faridabad
Date: 04/09/2026

**SHAHI GARMENTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U14101HR2025PTC139262**
**STANDALONE BALANCE SHEET AS AT MARCH 31, 2026**

*All amount in Rupees hundred , unless otherwise stated*

| | Notes | As at March 31,2026 |
|---|---|---|
| **ASSETS** | | |
| **Current assets** | | |
| Cash and cash equivalents | 3 | 765 |
| **TOTAL ASSETS** | | **765** |
| **EQUITY AND LIABILITIES** | | |
| **Shareholders funds** | | |
| Share capital | 4 | 1,000 |
| Reserve and surplus | 5 | (531) |
| | | **469** |
| **Current liabilities** | | |
| Trade payables | 6 | |
| Total outstanding dues of micro enterprises and small enterprises | | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 296 |
| **Total current liabilities** | | **296** |
| **TOTAL EQUITY AND LIABILITIES** | | **765** |

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

As per our report of even date.
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number : 019667N

PMSS & CO M.No. 091331 CHARTERED ACCOUNTANTS

**Puneet Mishra**
Partner
Membership Number : 091331

Place : Faridabad
Date: 04/09/2026

**For and on Behalf of The Board of Directors of Shahi Garments Private Limited**

| **ANEET KAUR** | **RAJESH HARISHANKAR PALIWAL** |
|---|---|
| Director | Director |
| DIN : 10892322 | DIN : 09749556 |

**SHAHI GARMENTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U14101HR2025PTC139262**
**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED MARCH 31, 2026**

*All amount in Rupees hundred , unless otherwise stated*

| Particulars | Notes | For the period ended March 31,2026 |
|---|---|---|
| **Income** | | |
| Revenue from operations | 7 | - |
| Other Income | 8 | - |
| **Total revenue** | | - |
| **Expense** | | |
| Finance cost | 9 | 1 |
| Other expenses | 10 | 530 |
| **Total expense** | | **531** |
| Profit before tax | | (531) |
| Tax expense: | | |
| (1) Current Tax | | - |
| (2) Deferred Tax | | - |
| **Profit/(Loss) for the period** | | **(531)** |
| **Other Comprehensive Income** | | - |
| **Total Comprehensive income for the period** | | **(531)** |
| Earning Per Share : | | |
| Basic | | (5.31) |
| Diluted | | (5.31) |

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

As per our report of even date.
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number : 019667N

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

**Puneet Mishra**
Partner
Membership Number : 091331

Place : Faridabad
Date: 04/09/2026

**For and on Behalf of The Board of Directors of Shahi Garments Private Limited**

**ANEET KAUR**
Director
DIN : 10892322

**RAJESH HARISHANKAR PALIWAL**
Director
DIN : 09749556

**SHAHI GARMENTS PRIVATE LIMITED**

**Statement of Changes in Equity**

*All amount in Rupees hundred , unless otherwise stated*

**a. Equity Share Capital**

| Particulars | Number | Amount |
|---|---|---|
| **At incorporation** | 10,000 | 1,000 |
| Changes in equity share capital | - | - |
| **As at 31 March 2026** | **10,000** | **1,000** |

**b. Other Equity**

| Description | Reserves and Surplus | |
|---|---|---|
| | Retained Earnings | Total |
| Profit for the period | (531) | (531) |
| Other Comprehensive Income | - | - |
| IND-AS Impact of Current period | - | - |
| **Total Comprehensive Income for the period** | **(531)** | **(531)** |
| Dividend Paid | - | - |
| | - | - |
| **Balance at 31st March 2026** | **(531)** | **(531)** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date attached

**For PMSS & Co.**
Chartered Accountants
Firm Registration Number : 019567N

P M S S & Co. M.No. 091331 CHARTERED ACCOUNTANTS

**Puneet Mishra**
Partner
Membership Number : 091331

Place : Faridabad.

**For and on Behalf of The Board of Directors**
**of Shahi Garments Private Limited**

**ANEET KAUR**
**Director**
**DIN : 10892322**

**RAJESH HARISHANKAR PALIWAL**
**Director**
**DIN : 09749556**

1. The company is engaged in trading & exports of readymade garments. The principal source of revenue for the company is from the manufacturing and sale of garments and related products. The company was incorporated on December 15, 2025, under Companies Act, 2013.

2. **Material Accounting Policies**

**2.1 Basis of preparation of financial statements and use of estimates**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These standalone financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2.2. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which the changes are made.

**2.3 Current/ Non-current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
(b) Held primarily for the purpose of trading
(c) Expected to be realised within twelve months after the reporting period, or
(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

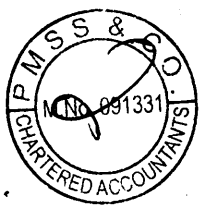
All other assets are classified as non-current.

A liability is current when:
(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



**2.4 Earnings Per Share**

**Basic earnings per share**
Basic earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**
Diluted earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

**2.5 Preliminary Expenses**
Incorporation and preliminary expenses are charged to the Statement of Profit and Loss in the year incurred unless specifically eligible for capitalization under applicable Accounting Standard.

**2.6 Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash in hand, cash at bank and demand deposits with the banks. It also includes short-term deposits with original maturities of three months or less.

**2.7 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.

**2.8 Recent pronouncements**

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

(a) Ind AS 1 – Presentation of Financial Statements Clarifications on classification of liabilities as current or non-current, including the impact of loan covenants and rights to defer settlement.

(b) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107 As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company will provide new disclosures for liabilities under supplier finance arrangements, if applicable.

P M S S & CO. MNo. 091331 CHARTERED ACCOUNTANTS

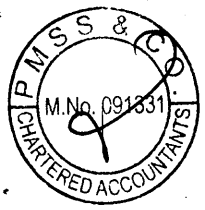
(c) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12 The Ministry of Corporate Affairs (MCA) has notified amendments to Ind AS 12, Income Taxes, to incorporate the OECD Pillar Two Model Rules. These amendments introduce specific disclosure requirements for entities that may be subject to Pillar Two income tax. Pillar Two legislation has not yet been enacted in India, where the company is headquartered. Accordingly, no adjustments have been made to these financial statements in respect of Pillar Two income taxes. The Company will continue to monitor developments in India and other jurisdictions in which it operates and will evaluate the impact of such legislation as and when it becomes applicable.

(d) (d) Lack of Exchangeability – Amendments to Ind AS 21 The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

(e) These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**2.9 New and amended standards not yet adopted.**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Ind AS 1 – Presentation of Financial Statements Clarifications on classification of liabilities as current or non-current, basis the timing of waiver granted by the lender on breach of a material provision. Once effective, the Group does not expect this amendment to have a material impact on its operations or financial statements.



**SHAHI GARMENTS PRIVATE LIMITED**
**Notes to the financial statements for the period ended March 31,2026**

*All amount in Rupees hundred , unless otherwise stated*

**3 Cash and cash equivalents**

| | As at March 31,2026 |
|---|---|
| Bank balances | |
| - in current accounts | 765 |
| **Total Cash and cash equivalents** | **765** |

**4 Share capital**

| | As at March 31,2026 |
|---|---|
| **Authorised share** | |
| 10,000 equity shares of Rs.10/- each | 1,000 |
| **Issued, Subscribed and fully paid-up shares** | |
| 10,000 equity shares of Rs.10/- each | 1,000 |
| **Total Issued, subscribed and paid up Shares** | **1,000** |

**a) Reconciliation of shares outstanding at the end of the period**
**Equity shares**

| | As at March 31,2026 | |
|---|---|---|
| | No. of Share | Amount |
| At incorporation | 10,000 | 1,000 |
| Issued during the period | - | - |
| **Outstanding at the end of the period** | 10,000 | 1,000 |

**b) Terms and rights attached to equity shares**
Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**c) Details of shareholders holding more than 5% shares in the Company**

| | As at March 31,2026 | |
|---|---|---|
| | No. of Share | % of holding |
| **Equity shares of Rs.10/- each fully paid** | | |
| Harish Ahuja | 2,476 | 24.76% |
| HPA Business Trust | 7,038 | 70.38% |
| | 9,513 | |

**d) Shares held by promoters**
**As at March 31,2026** 9,514

| Promoter Name | No. of shares on incorporation | Change during the period | No. of shares at the end of the period | % change during the period |
|---|---|---|---|---|
| Delhi brass and metal works private limited | - | 485 | 485 | 4.85% |
| HPA Business Trust | - | 7,038 | 7,038 | 70.38% |
| Mr. Harish Ahuja | 9,999 | (7,523) | 2,476 | -75.23% |
| Mr. Anant Ahuja | 1 | - | 1 | 0.00% |

**5 Reserve & surplus**

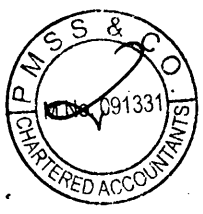
| | As at March 31,2026 |
|---|---|
| Balance as at the beginning of the period | - |
| Profit/ (loss) for the period | (531) |
| **Balance as at the end of the period** | **(531)** |

**6 Trade payables**

| | As at March 31,2026 |
|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 13) | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 296 |
| **Total trade payables** | **296** |

**Trade payable ageing schedule for the period ended as on March 31, 2026**

| Outstanding for following periods from due date of payment | (i) Outstanding dues to MSME | (ii) others | Total Trade payable |
|---|---|---|---|
| Unbilled | - | 39 | 39 |
| Less than 1 year | - | 257 | 257 |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| **Total** | - | **296** | **296** |



*All amount in Rupees hundred , unless otherwise stated*

| | | For the period ended March 31, 2026 |
|---|---|---|
| **7** | **Revenue from operations** | |
| | Domestic sale | - |
| | **Total revenue from operations** | - |

| | | For the period ended March 31, 2026 |
|---|---|---|
| **8** | **Other income** | |
| | Other income | - |
| | **Total Other income** | - |

| | | For the period ended March 31, 2026 |
|---|---|---|
| **9** | **Finance charges** | |
| | Bank and finance charges | 1 |
| | **Total finance charges** | **1** |

| | | For the period ended March 31, 2026 |
|---|---|---|
| **10** | **Other expenses** | |
| | Rent | 258 |
| | Legal & Professional Charges (refer note 11) | 272 |
| | **Total other expenses** | **530** |

P M S S & CO
M.No. 091331
CHARTERED ACCOUNTANTS

**SHAHI GARMENTS PRIVATE LIMITED**

**Notes to the financial statements for the period ended March 31,2026**

*All amount in Rupees hundred , unless otherwise stated*

**11 Auditor's Remuneration (excluding GST)**

| | As at March 31,2026 |
|---|---|
| Audit Fees | 39 |
| **Total** | **39** |

**12 Ratio Analysis:**

| Ratio | % / times | Reason of Variance |
|---|---|---|
| a) Current Ratio<br>Current Assets / Current Liabilities | 2.58 | No variance as it's company is incorporated in FY 25-26 |
| b) Debt- Equity ratio<br>Total Borrowing (Current & non current) / Total Equity | The company does not have borrowings as on period ended March 31, 2026. | |
| c) Debt Service Coverage Ratio<br>Earnings Available for Debt Services / Debt Service | The company does not have borrowings as on period ended March 31, 2026. | |
| d) Return on Equity<br>Profit after tax / Average Shareholder's Equity | -1.13 | No variance as it's company is incorporated in FY 25-26 |
| e) Inventory Turnover ratio<br>Cost of Goods sold / Average Inventory | The company does not have inventory as on period ended March 31, 2026 | |
| f) Trade Receivable Turnover Ratio<br>Revenue from Operations / Average Trade receivable | The company does not have revenue from operations and trade receivables as on period ended March 31, 2026 | |
| g) Trade Payable Turnover Ratio<br>Purchase / Average Trade payable | The company does not have purchases as on period ended March 31, 2026 | |
| h) Net Capital Turnover ratio<br>Revenue from Operations / Working Capital | The company does not have revenue from operations for period ended March 31, 2026 | |
| i) Net Profit Ratio<br>Profit After Tax / Revenue from Operations | The company does not have revenue from operations for period ended March 31, 2026 | |
| j) Return on capital Employed<br>Earning before interest and tax / Capital Employed | -1.13 | No variance as it's company is incorporated in FY 25-26 |
| k) Return on Investment<br>Finance Income / Investment | The company does not have finance income and investment during the period ended March 31, 2026 | |

P M S S & CO. M.No. 091331 CHARTERED ACCOUNTANTS

*All amount in Rupees hundred , unless otherwise stated*

**13 Due to micro and small enterprises**

There are no overdue amount outstanding on Micro Enterprises & Small Enterprises as on March 31, 2026 . There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

**14 Related Party Disclosure:**

**A. List of Related Parties**

| Key Management Personnel | Enterprise over which Key Management personnel exercise significant influence with whom transactions would have taken place during the year |
|---|---|
| Mr. Harish Ahuja (with effect from 15th December'2025)<br>Mr. Anant Ahuja (with effect from 15th December'2025)<br>Mr Rajesh Harishankar Paliwal<br>(with effect from 15th December'2025)<br>Mr. Aneet Kaur (with effect from 25th February'2026) | Shahi Exports Private Limited<br>Delhi Brass and Metal Works Private Limited<br><br>HPA Business Trust |

**B. Details of Transactions with related parties**

**For the period ended March 31,2026**

| Particulars | Key Managerial Personnel/ Individual having significant influence | Enterprise over which Key Management personnel exercise significant influence with whom transactions have take place during the period |
|---|---|---|
| RENT | - | 258 |

**Outstanding Balances as on March 31,2026**

| Particulars | Key Managerial Personnel/ Individual having significant influence | Enterprise over which Key Management personnel exercise significant influence with whom transactions have take place during the period |
|---|---|---|
| Debit Balances | - | - |
| Credit Balances | - | 258 |

**15** Comparative figures for the previous year are not applicable as company is incorporated in FY 25-26.

As per our report of even date.
**For PMSS & Co.**
Chartered Accountants
Firm Registration Number: 019667N

**Puneet Mishra**
Partner
Membership Number: 091331
Place : Faridabad
Date: 04/09/2026

**For and on Behalf of The Board of Directors**
**of Shahi Garments Private Limited**

**ANEET KAUR**
Director
DIN : 10892322

**RAJESH HARISHANKAR PALIWAL**
Director
DIN : 09749556

**SHAHI GARMENTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U14101HR2025PTC139262**
**PROVISIONAL (UNAUDITED) STANDALONE BALANCE SHEET AS AT JUNE 30, 2026**

*Amount in Rupees thousand, unless otherwise stated*

| | Notes | As at June 30,2026 | As at March 31,2026 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 3 | 40 | 77 |
| **TOTAL ASSETS** | | **40** | **77** |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders funds** | | | |
| Share capital | 4 | 100 | 100 |
| Reserve and surplus | 5 | (95) | (53) |
| | | **5** | **47** |
| **Current liabilities** | | | |
| Trade payables | 6 | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | 30 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - |
| Other current liabilities | 7 | 35 | - |
| **Total current liabilities** | | **35** | **30** |
| **TOTAL EQUITY AND LIABILITIES** | | **40** | **77** |

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

**For and on Behalf of The Board of Directors**
**of Shahi Garments Private Limited**

| | |
|---|---|
| sd/- | sd/- |
| **ANEET KAUR** | **RAJESH HARISHANKAR PALIWAL** |
| Director | Director |
| DIN : 10892322 | DIN : 09749556 |

Place : Faridabad
Date: November 2,2026

**SHAHI GARMENTS PRIVATE LIMITED**

**CORPORATE IDENTIFICATION NUMBER - U14101HR2025PTC139262**

**PROVISIONAL (UNAUDITED) STANDALONE STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED JUNE 30, 2026**

*Amount in Rupees thousand, unless otherwise stated*

| Particulars | Notes | For the period ended June 30,2026 | For the year ended March 31,2026 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 8 | - | - |
| Other Income | 9 | - | - |
| **Total revenue** | | - | - |
| **Expense** | | | |
| Finance cost | 10 | 0 | 0 |
| Other expenses | 11 | 42 | 53 |
| **Total expense** | | **42** | **53** |
| Profit before tax | | (42) | (53) |
| Tax expense: | | | |
| (1) Current Tax | | - | - |
| (2) Deferred Tax | | - | - |
| **Profit/(Loss) for the year** | | **(42)** | **(53)** |
| Earning Per Share : | | | |
| Basic | | (4.15) | (5.31) |
| Diluted | | (4.15) | (5.31) |

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

**For and on Behalf of The Board of Directors**
**of Shahi Garments Private Limited**

| | |
|---|---|
| sd/- | sd/- |
| **ANEET KAUR** | **RAJESH HARISHANKAR PALIWAL** |
| Director | Director |
| DIN : 10892322 | DIN : 09749556 |

Place : Faridabad
Date: November 2,2026

**SHAHI GARMENTS PRIVATE LIMITED**

**Provisional (Unaudited) Statement of Changes in Equity** *Amount in Rupees thousand, unless otherwise stated*

**a. Equity Share Capital**

| Particulars | Number | Amount |
|---|---|---|
| **At incorporation** | 10,000 | 100 |
| Changes in equity share capital | - | - |
| **As at March 31, 2026** | **10,000** | **100** |
| Changes in equity share capital | - | - |
| **As at June 30, 2026** | **10,000** | **100** |

**b. Other Equity**

**As at March 31,2026 (Audited)**

| Description | Reserves and Surplus | |
|---|---|---|
| | Retained Earnings | Total |
| Profit for the period | (53) | (53) |
| Other Comprehensive Income | - | - |
| IND-AS Impact of Current period | - | - |
| **Total Comprehensive Income for the period** | **(53)** | **(53)** |
| Dividend Paid | - | - |
| **Balance at March 31, 2026** | **(53)** | **(53)** |

**As at June 30,2026 (Provisional)**

| Description | Reserves and Surplus | |
|---|---|---|
| | Retained Earnings | Total |
| **Balance at March 31, 2026** | **(53)** | **(53)** |
| Profit for the period | (42) | (42) |
| Other Comprehensive Income | - | - |
| IND-AS Impact of Current period | - | - |
| **Total Comprehensive Income for the period** | **(95)** | **(95)** |
| Dividend Paid | - | - |
| **Balance at June 30, 2026** | **(95)** | **(95)** |

The accompanying notes are an integral part of the financial statements. 2

As per our report of even date attached

**For PMSS & Co.**
Chartered Accountants
Firm Registration Number : 019667N

**Puneet Mishra**
Partner
Membership Number : 091331

Place :
Date: November 2,2026

**For and on Behalf of The Board of Directors of Shahi Garments Private Limited**

sd/-

**ANEET KAUR**
**Director**
**DIN : 10892322**

sd/-

**RAJESH HARISHANKAR PALIWAL**
**Director**
**DIN : 09749556**

**SHAHI GARMENTS PRIVATE LIMITED**
**Provisional (Unaudited) Notes to the Financial Statements for the period ended June 30, 2026**

1. The company is engaged in trading & exports of readymade garments. The principal source of revenue for the company is from the manufacturing and sale of garments and related products. The company was incorporated on December 15, 2025, under Companies Act, 2013.

**2. Material Accounting Policies**

**2.1 Basis of preparation of financial statements and use of estimates**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These standalone financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair values.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2.2. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which the changes are made.

**2.3 Current/ Non-current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
(b) Held primarily for the purpose of trading
(c) Expected to be realised within twelve months after the reporting period, or
(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**2.4 Earnings Per Share**

**Basic earnings per share**
Basic earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**
Diluted earnings per share is calculated by dividing:
-the profit for the year attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes)
-by the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

**2.5 Preliminary Expenses**

Incorporation and preliminary expenses are charged to the Statement of Profit and Loss in the year incurred unless specifically eligible for capitalization under applicable Accounting Standard.

**2.6 Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash in hand, cash at bank and demand deposits with the banks. It also includes short-term deposits with original maturities of three months or less.

**2.7 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company discloses contingent liabilities in the notes to financial statements.

Contingent assets are not disclosed in the financial statements however, when inflows of economic benefits are probable, then related asset is disclosed.

Provisions and contingent liabilities are reviewed at each balance sheet.

**2.8 Recent pronouncements**

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

(a) Ind AS 1 – Presentation of Financial Statements Clarifications on classification of liabilities as current or non-current, including the impact of loan covenants and rights to defer settlement.

(b) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107 As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company will provide new disclosures for liabilities under supplier finance arrangements, if applicable.

(c) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12 The Ministry of Corporate Affairs (MCA) has notified amendments to Ind AS 12, Income Taxes, to incorporate the OECD Pillar Two Model Rules. These amendments introduce specific disclosure requirements for entities that may be subject to Pillar Two income tax. Pillar Two legislation has not yet been enacted in India, where the company is headquartered. Accordingly, no adjustments have been made to these financial statements in respect of Pillar Two income taxes. The Company will continue to monitor developments in India and other jurisdictions in which it operates and will evaluate the impact of such legislation as and when it becomes applicable.

(d) (d) Lack of Exchangeability – Amendments to Ind AS 21 The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

(e) These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**SHAHI GARMENTS PRIVATE LIMITED**

**Provisional (Unaudited) notes to the financial statements for the year ended June 30,2026**

*Amount in Rupees thousand, unless otherwise stated*

**3 Cash and cash equivalents**

| | As at June 30,2026 | As at March 31,2026 |
|---|---|---|
| Bank balances | | |
| - in current accounts | 40 | 77 |
| **Total Cash and cash equivalents** | **40** | **77** |

**4 Share capital**

| | As at June 30,2026 | As at March 31,2026 |
|---|---|---|
| **Authorised share** | | |
| 10,000 (Previous year 10,000 equity shares of Rs.10/- each) | 100 | 100 |
| **Issued, Subscribed and fully paid-up shares** | | |
| 10,000 (Previous year 10,000 equity shares of Rs.10/- each) | 100 | 100 |
| **Total Issued, subscribed and paid up Shares** | **100** | **100** |

**a) Reconciliation of shares outstanding at the end of the period**

**Equity shares**

| | As at June 30,2026 | | As at March 31,2026 | |
|---|---|---|---|---|
| | No. of Share | Amount | No. of Share | Amount |
| At the beginning of the year | 10,000 | 100 | - | - |
| Issued during the year | - | - | 10,000 | 100 |
| **Outstanding at the end of the year** | 10,000 | 100 | 10,000 | 100 |

**b) Terms and rights attached to equity shares**

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**c) Details of shareholders holding more than 5% shares in the Company**

| | As at June 30,2026 | | As at March 31,2026 | |
|---|---|---|---|---|
| | No. of Share | % of holding | No. of Share | % of holding |
| **Equity shares of Rs.10/- each fully paid** | | | | |
| | | | | |
| Harish Ahuja | 2,476 | 24.76% | 2,476 | 24.76% |
| HPA Business Trust | 7,038 | 70.38% | 7,038 | 70.38% |

**d) Shares held by promoters**

**As at June 30,2026 (Provisional)**

| Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % change during the year |
|---|---|---|---|---|
| Delhi brass and metal works private limited | 485 | - | 485 | - |
| HPA Business Trust | 7,038 | - | 7,038 | - |
| Mr. Harish Ahuja | 2,476 | - | 2,476 | - |
| Mr. Anant Ahuja | 1 | - | 1 | - |

**As at March 31,2026 (Audited)**

| Promoter Name | No. of shares on incorporation | Change during the year | No. of shares at the end of the year | % change during the year |
|---|---|---|---|---|
| Delhi brass and metal works private limited | - | 485 | 485 | 4.85% |
| HPA Business Trust | - | 7,038 | 7,038 | 70.38% |
| Mr. Harish Ahuja | 9,999 | (7,523) | 2,476 | -75.23% |
| Mr. Anant Ahuja | 1 | - | 1 | 0.00% |

**5 Reserve & surplus**

| | As at June 30,2026 | As at March 31,2026 |
|---|---|---|
| Balance as at the beginning of the year | (53) | - |
| Profit/ (loss) for the year | (42) | (53) |
| **Balance as at the end of the year** | **(95)** | **(53)** |

| 6 **Trade payables** | As at June 30,2026 | As at March 31,2026 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (Refer note 14) | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | - | 30 |
| **Total trade payables** | - | 30 |

**Trade payable ageing schedule for the year ended as on June 30, 2026**

| **Outstanding for following periods from due date of payment** | **(i) Outstanding dues to MSME** | **(ii) others** | **Total Trade payable** |
|---|---|---|---|
| Unbilled | - | - | - |
| Less than 1 year | - | - | - |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| **Total** | - | - | - |

**Trade payable ageing schedule for the year ended as on March 31, 2026**

| **Outstanding for following periods from due date of payment** | **(i) Outstanding dues to MSME** | **(ii) others** | **Total Trade payable** |
|---|---|---|---|
| Unbilled | - | - | - |
| Less than 1 year | - | 30 | 30 |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| **Total** | - | 30 | 30 |

| 7 **Other Current liabilities** | As at June 30,2026 | As at March 31,2026 |
|---|---|---|
| Provision for expenses | 35 | - |
| **Total other current liabilities** | 35 | - |

*Amount in Rupees thousand, unless otherwise stated*

| 8 Revenue from operations | For the year ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Domestic sale | - | - |
| **Total revenue from operations** | **-** | **-** |

| 9 Other income | For the year ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Other income | - | - |
| **Total Other income** | **-** | **-** |

| 10 Finance charges | For the year ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Bank and finance charges | 0 | 0 |
| **Total finance charges** | **0** | **0** |

| 11 Other expenses | For the year ended June 30, 2026 | For the year ended March 31, 2026 |
|---|---|---|
| Rent | 27 | 26 |
| Legal & Professional Charges (refer note 12) | 15 | 27 |
| **Total other expenses** | **42** | **53** |

**SHAHI GARMENTS PRIVATE LIMITED**

**Provisional (Unaudited) notes to the financial statements for the year ended June 30,2026**

*Amount in Rupees thousand, unless otherwise stated*

| 12 Auditor's Remuneration (excluding GST) | As at June 30,2026 | As at March 31,2026 |
|---|---|---|
| Audit Fees | 4 | 4 |
| **Total** | **4** | **4** |

**13 Ratio Analysis:**

| Ratio | As at June 30,2026 (% / times) | As at March 31,2026 (% / times) | % of Variance | Reason of Variance |
|---|---|---|---|---|
| a) Current Ratio<br>Current Assets / Current Liabilities | 1.15 | 2.58 | -55% | Due to reduction of current assets |
| b) Debt- Equity ratio<br>Total Borrowing (Current & non current) / Total Equity | The company does not have borrowings as on period ended June 30, 2026 and March 31, 2026. | | | |
| c) Debt Service Coverage Ratio<br>Earnings Available for Debt Services / Debt Service | The company does not have borrowings as on period ended June 30, 2026 and March 31, 2026. | | | |
| d) Return on Equity<br>Profit after tax / Average Shareholder's Equity | -1.59 | -1.13 | 40.32% | Due to reduction in shareholders funds |
| e) Inventory Turnover ratio<br>Cost of Goods sold / Average Inventory | The company does not have inventory as on period ended June 30, 2026 and March 31, 2026 | | | |
| f) Trade Receivable Turnover Ratio<br>Revenue from Operations / Average Trade receivable | The company does not have revenue from operations and trade receivables as on period ended June 30, 2026 and March 31, 2026 | | | |
| g) Trade Payable Turnover Ratio<br>Purchase / Average Trade payable | The company does not have purchases as on period ended June 30, 2026 and March 31, 2026 | | | |
| h) Net Capital Turnover ratio<br>Revenue from Operations / Working Capital | The company does not have revenue from operations for period ended June 30, 2026 and March 31, 2026 | | | |
| i) Net Profit Ratio<br>Profit After Tax / Revenue from Operations | The company does not have revenue from operations for year ended March 31, 2026 | | | |
| j) Return on capital Employed<br>Earning before interest and tax / Capital Employed | -7.77 | -1.13 | 585.51% | Due to reduction in shareholders funds |
| k) Return on Investment<br>Finance Income / Investment | The company does not have finance income and investment during the period ended June 30, 2026 and March 31, 2026 | | | |

**SHAHI GARMENTS PRIVATE LIMITED**
**Provisional (Unaudited) notes to the financial statements for the year ended June 30,2026**

Amount in Rupees thousand, unless otherwise stated

**14 Due to micro and small enterprises**

There are no overdue amount outstanding on Micro Enterprises & Small Enterprises as on June 30, 2026 and March 31, 2026 . There is no interests due or outstanding on the same. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified.

**15 Related Party Disclosure:**

**A. List of Related Parties**

| Key Management Personnel | Enterprise over which Key Management personnel exercise significant influence with whom transactions would have taken place during the year |
|---|---|
| Mr. Harish Ahuja (with effect from 15th December'25)<br>Mr. Anant Ahuja (with effect from 15th December'25)<br>Mr. Rajesh Harishankar Paliwal (with effect from 15th December'25)<br>Ms Aneet Kaur (with effect from 25th February'26) | Shahi Exports Private Limited<br>Delhi Brass and Metal Works Private Limited<br>HPA Business Trust |

**B. Details of Transactions with related parties**

**For the year ended June 30,2026**

| Particulars | Key Managerial Personnel/ Individual having significant influence | Enterprise over which Key Management personnel exercise significant influence with whom transactions have take place during the year |
|---|---|---|
| RENT | - | 27 |

**Outstanding Balances as on June 30,2026** **Outstanding Balances as on May 31,2026**

| Particulars | Key Managerial Personnel/ Individual having significant influence | Enterprise over which Key Management personnel exercise significant influence with whom transactions have take place during the year |
|---|---|---|
| Debit Balances | - | - |
| Credit Balances | - | 27 |

**For the year ended March 31,2026**

| Particulars | Key Managerial Personnel/ Individual having significant influence | Enterprise over which Key Management personnel exercise significant influence with whom transactions have take place during the year |
|---|---|---|
| RENT | - | 26 |

**Outstanding Balances as on March 31,2026**

| Particulars | Key Managerial Personnel/ Individual having significant influence | Enterprise over which Key Management personnel exercise significant influence with whom transactions have take place during the year |
|---|---|---|
| Debit Balances | - | - |
| Credit Balances | - | 26 |

**16** Provisional figures are reported for period ending June 30'2026 and year ending March 31'2026

**For and on Behalf of The Board of Directors**
**of Shahi Garments Private Limited**

sd/- sd/-

**ANEET KAUR** **RAJESH HARISHANKAR PALIWAL**
**Director** **Director**
**DIN : 10892322** **DIN : 09749556**

Place : Faridabad
Date: November 2,2026

**PMSS & CO.**
CHARTERED ACCOUNTANTS

Office Add. : 118 B, G. F., Sector- 30-33,
Indraprastha Colony, Faridabad -121003

Ph. : 0129 - 4108211 Mob. : 9811797396
e-mail : camishrajipuneet@gmail.com

Date 22/7/26

**22** July 2026

The Board of Directors
Shahi Exports Private Limited
Industrial Plot no. 1, Sector 28
Faridabad – 121008
Haryana

**Statutory Auditors' Certificate in relation to the proposed accounting treatment in the books of Shahi Exports Private Limited as specified in the proposed Composite Scheme of Arrangement amongst Shahi Exports Private Limited ("the Company" or "the Demerged Company) and Shahi Garments Private Limited ("the Resulting Company" or "Transferee Company") and Shahi Knits Private Limited ("the Transferor Company No. 1") and HSA Apparel Private Limited ("the Transferor Company No. 2") and their respective shareholders for Demerger of garments, textile and power business from Shahi Exports Private Limited into Shahi Garments Private Limited and Amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited with Shahi Garments Private Limited pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013.**

1. We have been requested by the Board of Directors of Shahi Exports Private Limited ("the Company" or "the Demerged Company") to issue a certificate in relation to the proposed accounting treatment specified in Paragraph 5 of Part II of the proposed Composite Scheme of Arrangement amongst the Company, Shahi Garments Private Limited ('the Resulting Company') and Shahi Knits Private Limited ("the Transferor Company No. 1 ") and HSA Apparel Private Limited ("the Transferor Company No. 2") and their respective shareholders ("Proposed Scheme") of proposed demerger of garments, textile and power business of the Company into the Resulting Company and proposed merger of the Transferor Company No. 1 and Transferor Company No. 2 with the Resulting Company as reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") and applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and other Generally Accepted Accounting Principles in India.

2. The Proposed Scheme is approved by the Board of Directors of the Company and the Resulting Company on 20 Jul 2026 and is subject to approval of the respective Shareholders, the National Company Law Tribunal ("NCLT") and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 1 April 2026.

**Management's Responsibility**

3. The preparation of the Proposed Scheme as reproduced in Annexure A and its compliance with the relevant provision of the Act, laws and regulations, including the applicable Ind AS read with the Rules issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the Board of Directors of the companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme as reproduced in Annexure A and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

4. The Company's Management is also responsible for ensuring that the Company complies with the requirements of the Act and providing all relevant information with respect to the Proposed Scheme to the NCLT and other regulatory authorities as applicable.

**Auditor's Responsibility**

**5.** Pursuant to the requirements of provisions of Section 232 of the Companies Act, 2013 , our responsibility is to provide a reasonable assurance whether the proposed accounting treatment specified in Paragraph 5 of Part II of the Proposed Scheme and as reproduced in Annexure A to this certificate is in conformity with Ind AS specified under Section 133 of the Act read with the Rules issued thereunder and other Generally Accepted Accounting Principles in India.

**6.** We conducted our examination of the proposed accounting treatment, referred in Paragraph 5 of Part II of the Proposed Scheme and as reproduced in Annexure A to this certificate, in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

**7.** We have performed the following procedures:

a) Review of the proposed accounting treatment as contained in the Annexure A to this certificate to ensure it is in accordance with applicable Ind AS specified under section 133 of the Act read with the Rules issued thereunder and other Generally Accepted Accounting Principles in India as required as per the proviso to Section 230(7) and Section 232(3) of the Act; and

b) Making suitable inquires and obtained relevant representations from the management of the Company.

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

**Opinion**

**9.** As per Section 232(6) of the Act, the Proposed Scheme has to provide for the appointed date from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 1 April 2026. The appointed date may be different from the date when the demerger should have been accounted for as per Appendix A to Ind AS 10 'Events after the reporting period' and other Generally Accepted Accounting Principles in India (as per which demerger should have been accounted for on the date when the Proposed Scheme is approved by the NCLT). However, if approved by the NCLT, the appointed date shall be deemed to be the date for the purpose of accounting for the demerger of then 'Garments, Textile Business and Power Business' from the Company.

Based on our examination and according to the information and explanations provided to us and appropriate representations obtained from the Company, the proposed accounting treatment specified in Paragraph 5 of Part II of the Proposed Scheme and as reproduced in Annexure A to this certificate, initialled and stamped by us for the purpose of identification only, is in conformity with applicable Ind AS prescribed under Section 133 of the Act read with the Rules issued thereunder and other Generally Accepted Accounting Principles in India.

**Restriction on Use**

**10.** This Certificate is issued at the request of the Board of Directors of the Company solely for the purpose of onward submission to the NCLT and other regulatory authorities, in relation to the Proposed Scheme pursuant to the requirements of Sections 230 to 232 of the Act and relevant



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

For PMSS & Co.,
Chartered Accountants
Firm Regd. No. 019667N

UDIN: 26091331NKVAAW9893




Puneet Mishra
Partner
Membership No: 091331

**Date:** 22 Jul 2026
**Place:** Faridabad

**Annexure A**

**Proposed accounting treatment as mentioned in Paragraph 5 of Part II in the Composite Scheme of Arrangement amongst Shahi Exports Private Limited ("the Company" or "the Demerged Company) and Shahi Garments Private Limited ("the Resulting Company" or "Transferee Company") and Shahi Knits Private Limited ("the Transferor Company No. 1") and HSA Apparel Private Limited ("the Transferor Company No. 2").**

5.1. Treatment in the books of the Demerged Company

On the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for demerger of the Demerged Undertaking in its books as under:

(a) All the assets, liabilities and reserves of the Demerged Company pertaining to the Demerged Undertaking, being transferred to the Resulting Company, shall be reduced from the books of accounts of the Demerged Company at their respective carrying values.

(b) The excess/ deficit of the net assets of the Demerged Undertaking standing in the books of accounts of the Demerged Company and transferred to the Resulting Company on the Appointed Date and subject to expenses of Demerger of Demerged Undertaking as referred in IV Clause L below, shall be recorded in accordance with applicable Indian Accounting Standards ("IND AS") notified under section 133 of the Act.

P.M.S.S. & CO. M.No. 091331 CHARTERED ACCOUNTANTS

PMSS & CO.
CHARTERED ACCOUNTANTS

Office Add. : 118 B, G. F., Sector- 30-33,
Indraprastha Colony, Faridabad -121003

Ph. : 0129 - 4108211 Mob. : 9811797396
e-mail : camishrajipuneet@gmail.com

22 July 2026

Date .....

The Board of Directors
Shahi Knits Private Limited
Industrial Plot no. 1, Sector 28
Faridabad – 121008
Haryana

**Letter in relation to the proposed accounting treatment in the books of Shahi Knits Private Limited ("the Company" or "the Transferor Company No. 1") as specified in the proposed Composite Scheme of Arrangement for Amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited ("the Transferor Company No. 2") with Shahi Garments Private Limited ("the Resulting Company" or "Transferee Company") pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013.**

1. We have been requested by the Board of Directors of Shahi Knits Private Limited ("the Company" or "the Transferor Company No. 1") to issue a certificate in relation to the proposed accounting treatment specified in Paragraph C of Part III of the proposed Composite Scheme of Arrangement amongst the Shahi Exports Private Limited ("the Demerged Company"), Shahi Garments Private Limited ('the Resulting Company' or "Transferee Company") and Shahi Knits Private Limited ("the Transferor Company No. 1 ") and HSA Apparel Private Limited ("the Transferor Company No. 2") and their respective shareholders ("Proposed Scheme") for the proposed demerger of garments, textile business and power business of the Demerged Company into the Resulting Company and proposed merger of the Transferor Company No. 1 and Transferor Company No. 2 with the Transferee Company as reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") with reference to its compliance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and other Generally Accepted Accounting Principles in India.

2. The Proposed Scheme is approved by the Board of Directors of the Company and the Transferee Company on 20 Jul 2026 and is subject to approval of the respective Shareholders, the National Company Law Tribunal ("NCLT") and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 1 April 2026.

3. The Company is a Transferor Company in the Proposed Scheme and upon the Proposed Scheme becoming effective, the Company shall cease to exist. Accordingly, a certificate in relation to the proposed accounting treatment specified in Paragraph C of Part III of the Proposed Scheme with reference to its compliance with the Ind AS is not required.

4. We hereby provide our consent for onward filing of this letter with the jurisdictional bench of the NCLT and/or Central Government and /or any other concerned statutory or regulatory authority, if and as required.

5. This letter is issued at the request of the Board of Directors of the Transferor Company No. 1 solely for the purpose of onward submission to NCLT and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of Sections 230 to 232 of the Act and relevant Rules thereunder. This letter should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other



purpose or to any other person to whom this letter is shown or into whose hands it may come without our prior consent in writing.

For PMSS & Co.,
Chartered Accountants
Firm Regd. No. 019667N

UDIN: _____




Puneet Mishra
Partner
Membership No: 091331

26091331WVWC13219

**Date:** 22 Jul 2026
**Place:** Faridabad

**Annexure A**

**Proposed accounting treatment as specified in Paragraph C of Part III of the proposed Composite Scheme of Arrangement amongst Shahi Knits Private Limited ("the Company" or "the Transferor Company No. 1"), HSA Apparel Private Limited ("the Transferor Company No. 2") and Shahi Garments Private Limited ("the Resulting Company" or "Transferee Company")**

**2. Accounting treatment in the books of the Transferor Company No. 1**

In case of amalgamation of the Transferor Companies with Transferee Company, as the Transferor Companies shall stand dissolved without being wound up upon the Composite Scheme becoming effective, there is no accounting treatment prescribed under this Composite Scheme in the books of the Transferor Companies.



**PMSS & CO.**
CHARTERED ACCOUNTANTS

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e-mail : camishrajipuneet@gmail.com

22 July 2026

Date 22/7/26

The Board of Directors
HSA Apparel Private Limited
Industrial Plot no. 1, Sector 28
Faridabad – 121008
Haryana

**Letter in relation to the proposed accounting treatment in the books of HSA Apparel Private Limited ("the Company" or "the Transferor Company No. 2") as specified in the proposed Composite Scheme of Arrangement for Amalgamation of Shahi Knits Private Limited ("the Transferor Company No. 1") and HSA Apparel Private Limited with Shahi Garments Private Limited ("the Resulting Company" or "Transferee Company") pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013.**

1. We have been requested by the Board of Directors of HSA Apparel Private Limited ("the Company" or "the Transferor Company No. 2") to issue a certificate in relation to the proposed accounting treatment specified in Paragraph C of Part III of the proposed Composite Scheme of Arrangement amongst the Shahi Exports Private Limited ("the Demerged Company"), Shahi Garments Private Limited ('the Resulting Company' or "Transferee Company") and Shahi Knits Private Limited ("the Transferor Company No. 1 ") and HSA Apparel Private Limited ("the Transferor Company No. 2") and their respective shareholders ("Proposed Scheme") for the proposed demerger of garments, textile business and power business of the Demerged Company into the Resulting Company and proposed merger of the Transferor Company No. 1 and Transferor Company No. 2 with the Transferee Company as reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") with reference to its compliance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and other Generally Accepted Accounting Principles in India.

2. The Proposed Scheme is approved by the Board of Directors of the Company and the Transferee Company on 20 Jul 2026 and is subject to approval of the respective Shareholders, the National Company Law Tribunal ("NCLT") and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 1 April 2026.

3. The Company is a Transferor Company in the Proposed Scheme and upon the Proposed Scheme becoming effective, the Company shall cease to exist. Accordingly, a certificate in relation to the proposed accounting treatment specified in Paragraph C of Part III of the Proposed Scheme with reference to its compliance with the Ind AS is not required.

4. We hereby provide our consent for onward filing of this letter with the jurisdictional bench of the NCLT and/or Central Government and /or any other concerned statutory or regulatory authority, if and as required.

5. This letter is issued at the request of the Board of Directors of the Transferor Company No. 2 solely for the purpose of onward submission to NCLT and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of Sections 230 to 232 of the Act and relevant Rules thereunder. This letter should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other

purpose or to any other person to whom this letter is shown or into whose hands it may come without our prior consent in writing.

For PMSS & Co.,
Chartered Accountants
Firm Regd. No. 019667N

UDIN: _____




Puneet Mishra
Partner
Membership No: 091331

**Date**: 22 Jul 2026
**Place**: Faridabad

26091331BSGPHL3215

**Annexure A**

**Proposed accounting treatment as specified in Paragraph C of Part III of the proposed Composite Scheme of Arrangement amongst HSA Apparel Private Limited ("the Company" or "the Transferor Company No. 2"), Shahi Knits Private Limited ("the Transferor Company No. 1") and Shahi Garments Private Limited ("the Resulting Company" or "Transferee Company")**

**2. Accounting treatment in the books of the Transferor Company No. 2**

In case of amalgamation of the Transferor Companies with Transferee Company, as the Transferor Companies shall stand dissolved without being wound up upon the Composite Scheme becoming effective, there is no accounting treatment prescribed under this Composite Scheme in the books of the Transferor Companies.

P M S S & CO
M.No. 091331
CHARTERED ACCOUNTANTS

**PMSS & CO.**
CHARTERED ACCOUNTANTS

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Indraprastha Colony, Faridabad -121003

Ph. : 0129 - 4108211 Mob. : 9811797396
e-mail : camishrajipuneet@gmail.com

Date .....

22 July 2026

The Board of Directors
Shahi Garments Private Limited
Industrial Plot-1, Sector-28, Mathura Road,
Faridabad, Haryana- 121003

**Statutory Auditors' Certificate in relation to the proposed accounting treatment in the books of Shahi Garments Private Limited as specified in the proposed Composite Scheme of Arrangement ("Scheme" or "Proposed Scheme") amongst Shahi Exports Private Limited ("the Demerged Company" or "SEPL") and Shahi Garments Private Limited ("the Company" or "the Resulting Company" or "Transferee Company") and Shahi Knits Private Limited ("the Transferor Company No. 1") and HSA Apparel Private Limited ("Transferor Company No. 2") and their respective shareholders for the demerger of Apparel Business from Shahi Exports Private Limited into Shahi Garments Private Limited and Amalgamation of Shahi Knits Private Limited and HSA Apparel Private Limited with Shahi Garments Private Limited pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013.**

**1.** We have been requested by the Board of Directors of Shahi Garments Private Limited ("the Company" or "the Resulting Company" or "Transferee Company") to issue a certificate in relation to the proposed accounting treatment specified in Paragraph 5 of Part II and Paragraph C of Part III of the proposed Composite Scheme of Arrangement amongst the Company, Shahi Exports Private Limited ('Demerged Company') and Shahi Knits Private Limited ("Transferor Company No. 1 ") and HSA Apparel Private Limited ("Transferor Company No. 2") and their respective shareholders ("Proposed Scheme") for proposed demerger of Apparel Business of the Demerged Company into the Company and proposed Amalgamation of the Transferor Company No. 1 and Transferor Company No. 2 with the Company as reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") and applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with relevant rules issued thereunder and other Generally Accepted Accounting Principles in India.

**2.** The Proposed Scheme is approved by the Board of Directors of the Company and the Demerged Company and the Transferor Company No. 1 and the Transferor Company No. 2 on 20 Jul 2026 and is subject to approval of the respective Shareholders, the National Company Law Tribunal ("NCLT") and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 1 April 2026.

**Management's Responsibility**

**3.** The preparation of the Proposed Scheme as reproduced in Annexure A and its compliance with the relevant provision of the Act, laws and regulations, including the applicable Ind AS read with the Rules issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the Board of Directors of the companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme as reproduced in Annexure A and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

**4.** The Company's Management is also responsible for ensuring that the Company complies with the requirements of the Act and providing all relevant information with respect to the Proposed Scheme to the NCLT and other regulatory authorities as applicable.

**Auditor's Responsibility**

**5.** Pursuant to the requirements of provisions of Section 232 of the Companies Act, 2013, our responsibility is only to provide a reasonable assurance whether the proposed accounting treatment specified in Paragraph 5 of Part II and Paragraph C of Part III of the Proposed Scheme and as reproduced in Annexure A to this certificate is in conformity with Ind AS specified under Section 133 of the Act read with the Rules issued thereunder and other Generally Accepted Accounting Principles in India.



6. We conducted our examination of the proposed accounting treatment, referred in Paragraph 5 of Part II and Paragraph C of Part III of the Proposed Scheme and as reproduced in Annexure A to this certificate, in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have performed the following procedures:

   a) Review of the proposed accounting treatment as contained in the Annexure A to this certificate to ensure it is in accordance with applicable Ind AS specified under section 133 of the Act read with the Rules issued thereunder and other Generally Accepted Accounting Principles in India as required as per the proviso to Section 230(7) and Section 232(3) of the Act; and
   b) Making suitable inquires and obtained relevant representations from the management of the Company.

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

**Opinion**

9. As per Section 232(6) of the Act, the Proposed Scheme has to provide for the appointed date from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 1 April 2026.

10. Based on our examination and according to the information and explanations provided to us and appropriate representations obtained from the Company, the proposed accounting treatment specified in Paragraph 5 of Part II and Paragraph C of Part III of the Proposed Scheme and as reproduced in Annexure A to this certificate, initialled and stamped by us for the purpose of identification only, is in conformity with applicable Ind AS prescribed under Section 133 of the Act read with the Rules issued thereunder and other Generally Accepted Accounting Principles in India.



**Restriction on Use**

**11.** This Certificate is issued at the request of the Company and is addressed to the Board of Directors of the Company solely for the use of the management of the Company for the purpose of onward submission to the NCLT and other regulatory authorities and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

For PMSS & Co.,
Chartered Accountants
Firm Regd. No. 019667N

UDIN: _____




Puneet Mishra
Partner
Membership No: 091331

26091331SESOC03715

**Date**: 22 Jul 2026
**Place**: Faridabad

**Annexure A**

**Proposed accounting treatment as mentioned in Paragraph 5 of Part II and Paragraph C of Part III in the Composite Scheme of Arrangement amongst Shahi Exports Private Limited ("the Demerged Company) and Shahi Garments Private Limited ("the Company" or "the Resulting Company" or "Transferee Company") and Shahi Knits Private Limited ("the Transferor Company No. 1") and HSA Apparel Private Limited ("the Transferor Company No. 2").**

## 5. ACCOUNTING TREATMENT ON DEMERGER

5.2. Treatment in the books of the Resulting Company

On the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for Demerger of the Demerged Undertaking in its books as under:

(a) The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at their respective carrying values thereof appearing in the books of accounts of the Demerged Company as on the Appointed Date.

(b) The identity of the reserves shall be preserved, and they shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company.

(c) The inter-corporate balances, if any, between the Resulting Company and the Demerged Undertaking of the Demerged Company shall be eliminated.

(d) The face value of equity shares issued by the Resulting Company pursuant to Part II Clause 4 shall be credited to the equity share capital account of the Resulting Company.

(e) The surplus/ deficit, if any, arising after taking the effect of Clause 5.2(a), Clause 5.2(b), Clause 5.2 (c) and Clause 5.2 (d) shall be transferred to "Capital Reserve" in the books of the Resulting Company in accordance with the accounting principles prescribed under Appendix C of Ind AS 103 (Business combinations of entities under common control).



(f) In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, will be quantified and shall be adjusted in the capital reserve, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.

(g) Notwithstanding the above, the Board of the Resulting Company, in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the prescribed accounting standards as applicable to the Resulting Company.

**C. ACCOUNTING TREATMENT ON AMALGAMATION**

1. In the books of the Transferee Company

The amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with "Pooling of interest method" as per Appendix C of Indian Accounting Standard (IND AS) 103 for Business Combinations prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting standard) Rules, 2015, as may be amended from time to time such that:

a) Upon the Composite Scheme becoming effective and with effect from the Appointed Date, for the purpose of accounting for and dealing with the value of the assets and liabilities in the books of the Transferee Company, the Transferee Company shall record all the assets and liabilities of the Transferor Companies transferred to and vested in the Transferee Company pursuant to this Composite Scheme, at their respective book values as appearing in the books of the Transferor Companies.

b) The Transferee Company shall preserve the identity of the reserves of the Transferor Companies transferred to and vested in the Transferee Company and shall record in its books in the same form in which they appear in the books of the Transferor Companies.

c) No new shares will be issued or allotted by the Transferee Company pursuant to this Composite Scheme.



**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**PROVISIONAL STANDALONE BALANCE SHEET AS AT 31 MAY, 2026**

All amounts in Rs Crores, unless otherwise stated

| | Notes | Remaining Business | Apparel Business |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 161.71 | 1,201.59 |
| Capital work-in-progress | 3 | - | 55.03 |
| Intangible assets | 3 | - | 13.95 |
| Financial assets | 4 | | |
| (i) Investments | 4(i) | 787.65 | 2.28 |
| (ii) Loans | 4(ii) | 105.48 | 1,195.40 |
| (iii) Other financial assets | 4(iii) | - | 55.90 |
| Deferred tax assets (net) | 5 | - | 7.50 |
| Other non-current assets | 6 | 0.42 | 11.90 |
| **Total Non-current assets** | | **1,055.27** | **2,543.56** |
| **Current assets** | | | |
| Inventories | 7 | 111.92 | 1,602.56 |
| Financial Assets | 8 | | |
| (i) Investments | 8(i) | 3,172.88 | 300.00 |
| (ii) Trade receivables | 8(ii) | - | 2,513.91 |
| (iii) Cash and cash equivalents | 8(iii) | 0.06 | 268.82 |
| (iv) Bank balances other than (iii) above | 8(iv) | - | 5.68 |
| (v) Other financial assets | 8(v) | 29.94 | 6.49 |
| Current tax assets (net) | 9 | 2.88 | 21.15 |
| Other current assets | 10 | 21.11 | 254.52 |
| **Total Current assets** | | **3,338.78** | **4,973.13** |
| **TOTAL ASSETS** | | **4,394.05** | **7,516.69** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Share capital | 11 | 13.81 | - |
| Other Equity | 12 | 4,353.64 | 3,541.36 |
| **Total** | | **4,367.46** | **3,541.36** |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Financial liabilities | 13 | | |
| (i) Borrowings | 13(i) | - | 271.54 |
| (ii) Lease liability | 13(ii) | - | 75.19 |
| Provisions | 14 | 4.18 | 313.71 |
| Other non-current liabilities | 16(i) | - | 26.43 |
| **Total Non- current liabilities** | | **4.18** | **686.88** |
| **Current liabilities** | | | |
| Financial liabilities | 15 | | |
| (i) Borrowings | 15(i) | - | 1,538.78 |
| (ii) Lease liability | 13(ii) | - | 12.75 |
| (iii) Trade Payables | 15(ii) | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | 6.75 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 0.12 | 944.22 |
| (iv) Other financial liabilities | 15(iii) | 21.64 | 718.62 |
| Provisions | 14 | - | 4.72 |
| Other current liabilities | 16(ii) | 0.65 | 62.60 |
| **Total Current Liabilities** | | **22.41** | **3,288.44** |
| **TOTAL EQUITY AND LIABILITIES** | | **4,394.05** | **7,516.69** |

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

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

Sd/- Sd/-

**J.D. Giri** (Director) DIN: 00047490

**Vinod K. Bhardwaj** (Director) DIN: 00057037

**Rakesh Kumar**
(Company Secretary)
ACS: 21913

Place: Faridabad
Date: 20 July 2026

**SHAHI EXPORTS PRIVATE LIMITED**
**CORPORATE IDENTIFICATION NUMBER - U65110HR2005PTC142404**
**PROVISIONAL STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MAY, 2026**

**All amounts in Rs Crores, unless otherwise stated**

| | Note | Remaining Business | Apparel Business |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 17 | - | 1,882.14 |
| Other income | 18 | 28.79 | 30.42 |
| **Total income** | | **28.79** | **1,912.55** |
| | | | |
| **EXPENSES** | | | |
| Cost of raw materials consumed | 19 | - | 525.82 |
| Purchases of stock-in-trade | 20 | - | 320.08 |
| Changes in inventories of finished goods and work-in-progress | 21 | - | 25.35 |
| Employee benefits expense | 22 | 6.84 | 486.51 |
| Research and development expenses | 23 & 3 | - | 11.67 |
| Finance costs | 24 | - | 25.09 |
| Depreciation and amortization expense | 3 | 0.26 | 26.76 |
| Other expenses | 25 | 0.24 | 290.57 |
| **Total expenses** | | **7.34** | **1,711.86** |
| | | | |
| **Profit before tax** | | **21.45** | **200.69** |
| | | | |
| **Tax expenses:** | | | |
| Current tax | | - | 29.99 |
| Deferred tax (credit)/charge | | - | - |
| | | **-** | **29.99** |
| | | | |
| **Profit for the year (1)** | | **21.45** | **170.70** |
| | | | |
| **Other comprehensive:** | | | |
| *Items that may be reclassified to profit or loss* | | | |
| Gains/(loss) on forward exchange contracts (net) | | - | 16.00 |
| **Other comprehensive income/(loss) for the year (2)** | | **-** | **16.00** |
| | | | |
| **Total comprehensive income for the year (1+2)** | | **21.45** | **186.70** |
| | | | |
| **Earnings per equity share of Rs 10 each (Previous year: Rs 10)** | | | |
| Basic & Diluted (in Rs.) | | | |

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

**For and on behalf of the Board of Directors of**
**Shahi Exports Private Limited**

Sd/- Sd/-

**J.D. Giri** (Director) DIN: 00047490

**Vinod K. Bhardwaj** (Director) DIN: 00057037

Rakesh Kumar
(Company Secretary)
ACS: 21913

Place: Faridabad
Date: 20 July 2026

shahi

**FORM OF PROXY**

[To be used at the physical venue only]

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH — CA(CAA) No. 25/Chd/Hry/2026

I/We, the undersigned, being the unsecured creditor(s) of Shahi Exports Private Limited, do hereby appoint Mr./Ms. _____ of _____ and failing him/her, Mr./Ms. _____ of _____ as my/our proxy, to act for me/us at the meeting of the unsecured creditors (unrelated party) of Shahi Exports Private Limited to be held at IP-1, Sector-28, Faridabad, Sector-29, Haryana – 121008 on Saturday, 12 December 2026 at 09:00 AM, for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement between Shahi Exports Private Limited, Shahi Knits Private Limited, HSA Apparel Private Limited and Shahi Garments Private Limited and their respective shareholders, and at such meeting and any adjournment(s) thereof, to vote, for me/us and in my/our name(s) _____ (here, if for, insert 'FOR'; if against, insert 'AGAINST') the said arrangement embodied in the Scheme, either with or without modification(s), as my/our proxy may approve.

Dated this _____ day of _____ 2026

Name of the unsecured creditor: _____ Creditor ID: _____

Address: _____

Amount outstanding as on Cut-Off Date: Rs. _____

Signature of the unsecured creditors (unrelated party) / authorised signatory: _____
(Affix revenue stamp)

Signature of the proxy: _____

Notes: (1) The Form of Proxy must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. (2) A proxy may attend and vote only at the physical venue and not through VC/OAVM. (3) All alterations made in the Form of Proxy should be initialled. (4) In the case of a body corporate, the Form of Proxy must be signed by its authorised signatory and accompanied by a certified copy of the board resolution/ authority. (5) A unsecured creditors (unrelated party) who has cast its vote through remote e-voting shall not be entitled to vote again through its proxy.

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**ATTENDANCE SLIP**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.**

Creditors may obtain additional Attendance Slip at the venue of the meeting.

I hereby record my presence at the Meeting of the Unsecured creditors (unrelated party) of the Company, convened pursuant to the Order dated 24 September 2026 read with order dated 16 October 2026, at IP-1, Sector-28, Faridabad, Sector -29, Haryana, India, 121008 on 12 December 2026 at 09:00 AM.

Name and Address of Creditor:
Creditor ID: _____
Amount outstanding as on Cut-Off Date: Rs. _____

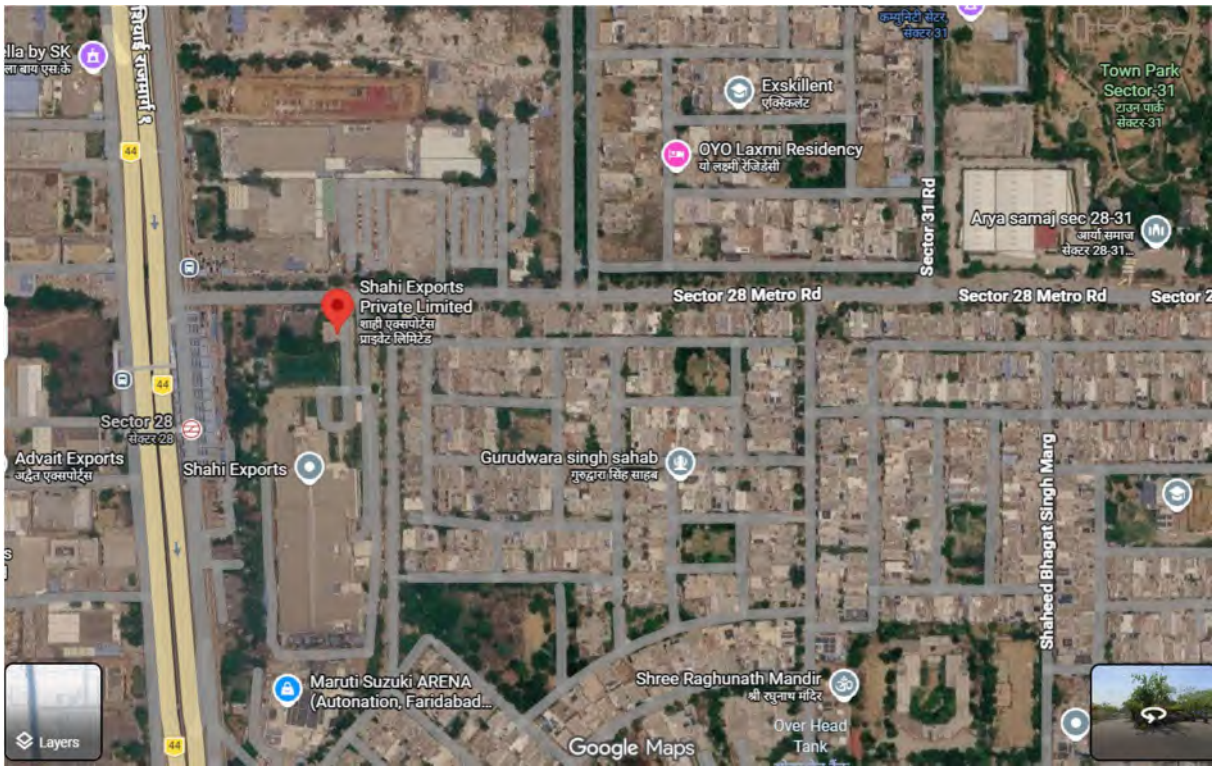
Signature : _____

Name of the Proxy : _____
Signature : _____

**NOTE:**

The Creditors attending the meeting in person or by Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall.

## MAP OF VENUE FOR PHYSICAL MEETING




Next to Sector 28, Faridabad Metro Station (280 mtrs)

Directions from sector 28 Metro Station:

