



GHCL TEXTILES LIMITED



Sixth
Annual Report
2025-2026

Contents

Company Information	
Statutory Reports	
Notice	01
Board's Report	15
Secretarial Audit Report	35
Management Discussion and Analysis	40
Corporate Governance	45
Financial Statements	
Independent Auditor's Report	91
Balance Sheet	103
Statement of Profit & Loss	104
Cash Flow Statement	105
Statement of Changes in Equity	107
Notes to the Financial Statements	108

Details of 6th Annual General Meeting

Day, Date and Time of AGM: Saturday, June 27, 2026 at 10.00 A.M.

Details of Remote E-Voting

Record date / cut-off date: Saturday, June 20, 2026

Start date and time: Tuesday, June 23, 2026 at 09:00 AM

End date and time: Friday, June 26, 2026 at 05:00 PM

As per Regulation 36(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Company will send digital Copy of the Annual Report to its shareholders and physical copy on demand.



Company Information

Board of Directors

Mr. Anurag Dalmia

Non-Executive Chairman

Justice Ravindra Singh (Retd.)

Independent Director (till 31.03.2026)

Mrs. Sudha Pillai, IAS (Retd.)

Independent Director

Mr. V K Jeyakodi, IAS (Retd.)

Independent Director

Mr. C R Rajagopal

Independent Director

Mr. Alok Raj, IRS(Retd.)

Independent Director

(w.e.f. 01.04.2026)

Mr. Ravi Shanker Jalan

Non-Executive Director

Mr. Raman Chopra

Non-Executive Director

Mr. Neelabh Dalmia

Non-Executive Director

Key Managerial Personnel

Mr. Marshal Rajendrakumar Sonavane

CEO

Mr. M Parasuraman

CFO

Mr. Lalit Narayan Dwivedi

Company Secretary

Registered Office

“GHCL House”

Opp. Punjabi Hall, Navrangpura

Ahmedabad -380009 (Gujarat)

Phone no. 079-26427818, 26427519

Corporate Office

“GHCL House”

B-38, Institutional Area

Sector-1, Noida-201301(U.P.)

Phone no. 0120- 4939900,

Email: secretarial@ghcltextiles.co.in

info@ghcltextiles.co.in

Website: www.ghcltextiles.co.in

Company Identification No.

L18101GJ2020PLC114004

Statutory Auditor

S.R. Batliboi & Co., LLP

Chartered Accountants, Gurugram

Secretarial Auditor

Chandrasekaran Associates

Company Secretaries, New Delhi

Internal Auditor

SPMB & Co.

Chartered Accountants, Chennai

Cost Auditor

R J Goel & Co.

Cost Accountants, New Delhi

Plant Locations

Madurai unit

Paravai, Samayanallur P.O,

Distt. Madurai,

Tamil Nadu – 625402

Manapara Unit

Thiagesar Alai P.O, Manapara,

Distt. Trichy,

Tamil Nadu - 621312

Bankers / Financial Institutions

State Bank of India

IDBI Bank

HDFC Bank

ICICI Bank

CTBC Bank

Bank of Baroda

Registrar and Share Transfer Agent (RTA)

MUFG Intime India Private Limited

(Formerly Link Intime India Private Limited),

C101, 247 Park, L. B. S. Marg,

Vikhroli (West), Mumbai 400083.

Phone no. +91 8108116767 Fax: +912249186060

Email : rnt.helpdesk@in.mpms.mufg.com



GHCL Textiles Limited

(CIN: L18101GJ2020PLC114004)

Registered Office: GHCL House, Opp. Punjabi Hall,
Navrangpura, Ahmedabad – 380009 (Gujarat)

Email: info@ghcltextiles.co.in, secretarial@ghcltextiles.co.in

Website: www.ghcltextiles.co.in

Phone: 079- 26427818, 26427519

Notice of the 6th Annual General Meeting

(Pursuant to Section 101 of the Companies Act, 2013)

Dear Member,

NOTICE is hereby given that the 6th Annual General Meeting of the members of GHCL Textiles Limited (CIN: L18101GJ2020PLC114004) will be held on Saturday, June 27, 2026 (शनिवार, ज्येष्ठ- शुक्लपक्ष, त्रयोदशी, विक्रम संवत् २०८३) at 10:00 A.M. through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESSES:

Item no. 1: Adoption of audited financial statements of the Company for the financial year ended March 31, 2026, and the reports of the Board of Directors and Auditors thereon.

To consider and pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2026 along with Board’s Report, Independent Auditors’ Report thereon, Corporate Governance Report, Secretarial Auditor’s Report and other annexure and attachment therewith, as circulated to the members with the notice of the 6th Annual General Meeting, be and are hereby received, considered, approved and adopted.”

Item no.2: Declaration of dividend for the financial year ended on March 31, 2026.

To consider and pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT dividend of ₹ 0.60(Sixty Paise) per equity share of ₹ 2/- each (i.e. 30% of the paid-up equity share capital of the Company), as recommended by the Board of Directors of the Company, be and is hereby declared for the financial year ended on March 31, 2026 and that such dividend be paid to those equity shareholders whose names appear in the Register of Members as on record date i.e. Saturday, June 20, 2026.”

Item no. 3: Re-appointment of Mr. Raman Chopra (DIN: 00954190) as a Director of the Company, liable to retire by rotation.

To consider and pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Raman Chopra (DIN: 00954190), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation.”

Item No. 4: Appointment of Deloitte Haskins & Sells Chartered Accountants LLP as Statutory Auditor of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, and 142 of the Companies Act, 2013 (“Act”) read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, regulations, and provisions, if any (including any statutory modification, amendment, or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, Deloitte Haskins & Sells Chartered Accountants LLP, (Firm Registration No. 117364W/W100739) (“Deloitte”), be and is hereby appointed as the Statutory Auditor of the Company, to hold office for a term of five consecutive years commencing from the conclusion of this 6th Annual General Meeting until the conclusion of the 11th Annual General Meeting of the Company (to be held for the financial year 2030-31), to conduct the statutory audit of the Company for the financial years 2026-27 to 2030-31, on the following remuneration, plus applicable taxes and reimbursement of out-of-pocket expenses actually incurred in connection with the audit:

- (i) **First year remuneration (FY 2026-27): ₹40,00,000 (Rupees Forty Lakhs only)**, inclusive of fees for statutory audit and certifications required under applicable laws and regulations;
- (ii) **Maximum remuneration cap:** the total remuneration payable to the Statutory Auditor in any financial year during the five-year tenure shall not exceed **₹ 75,00,000 (Rupees Seventy Five Lakhs only)**, inclusive of all certifications under the audit engagement;

“**RESOLVED FURTHER THAT** the Board of Directors and / or the Audit Committee of the Board be and are hereby severally authorised to do all such acts, deeds, matters, and things as may be necessary, expedient, or desirable to give effect to this Resolution, including negotiating and settling the terms of engagement, issuing the letter of appointment, determining the remuneration for each financial year of the tenure within the parameters set out in the Explanatory Statement to this Notice, and filing the necessary forms and returns with the Registrar of Companies and such other regulatory authorities as may be required under applicable law.”

Registered Office:
GHCL HOUSE
Opp. Punjabi Hall
Navrangpura, Ahmedabad - 380009

By Order of the Board
For **GHCL Textiles Limited**

Dated: April 30, 2026
Place: Noida

Lalit Narayan Dwivedi
Company Secretary
Membership No.: FCS 10487

NOTES:

1. The Annual General Meeting (AGM) of the Company is being convened through Video Conferencing (VC) or Other Audio Visual Means (OAVM), in compliance with the applicable provisions of the Companies Act, 2013, read with relevant rules and Secretarial Standard-2 (SS-2), and in accordance with the framework prescribed by the Ministry of Corporate Affairs (MCA) through its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, and the most recent Circular No. 03/2025 dated September 22, 2025 (collectively referred to as “MCA Circulars”) read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (“Listing Regulations 2015”), SEBI Master Circular no. SEBI/HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026 and other applicable provisions, if any (including any statutory modification or re-enactment thereof for the time being in force):

- a. The Company is convening 6th Annual General Meeting (AGM) through VC / OAVM and no physical presence of members, Directors, Auditors and other eligible persons shall be required for this annual general meeting. The 6th Annual General Meeting shall be deemed to be held at Registered office address of the Company. Since the AGM will be held through VC / OAVM, the Route Map is not required to be annexed in this Notice.
- b. The Company has made arrangements for the Annual General Meeting (AGM) to be conducted through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), with the facility capable of accommodating at least 1,000 members on a first-come-first-served basis. However, the large members(holding 2% or more of the shareholding), promoters, institutional investors, Directors, key managerial personnel (KMPs), Chairman of the Audit Committee, Chairperson of the Nomination & Remuneration Committee, and Chairman of the Stakeholders Relationship Committee, as well as the Statutory Auditor, may be allowed to attend the meeting without restriction on account of first-come-first-served principle.
- c. In compliance with the above circulars, the Notice of the 6th AGM, along with the financial statements for the financial year 2025–26 (including the Board’s Report, Auditor’s Report, and other mandatory annexures), is being sent electronically only to those members whose email addresses are registered with the Company or with the Depository Participants (NSDL/CDSL), as per the Beneficial Position (Benepos) as on **May 15, 2026** (i.e., the cut-off date post Board approval of the AGM notice). No physical copies of the AGM notice or Annual Report shall be dispatched. However, shareholders can request to the Company for physical copies of the annual report by sending email at secretarial@ghcltextiles.co.in and the same shall be provided. A letter providing the web-link for accessing the Annual report, including the exact path, will be sent to those members who have not registered their email address with the Company or depositories.

The 6th Annual Report, comprising the Notice, financial statements, and other related documents, is also available on the websites of BSE Limited (www.bseindia.com), National Stock Exchange of India Limited (www.nseindia.com), where the Company’s shares are listed, and on the Company’s website at www.ghcltextiles.co.in.

- d. The Company is providing two-way teleconferencing facility or WebEx for the ease of participation of the members.
- e. Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company.
- f. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- g. Participants i.e. members, Directors, Auditors and other eligible persons to whom this notice is being circulated are allowed to submit their queries / questions etc. before the general meeting in advance on the e-mail address of the company at secretarial@ghcltextiles.co.in. Further, queries / questions may also be posted concurrently during the general meeting at given email id /chatbox.
- h. Members, Directors, Auditors and other eligible persons to whom this notice is being circulated can attend this annual general meeting through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time.
- i. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

2. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts, if any.
3. Members holding shares in electronic form may update their details (bank, address, email etc.) with their respective Depository Participant.
4. The dividend as recommended by the Board of Directors will be paid to the members on or before 30th day from the date of declaration:
 - **For equity shares held in physical form** - those Members whose names will appear in the Register of Members on the record date i.e. Saturday, June 20, 2026.
 - **For equity shares held in dematerialized form** - those beneficiaries, whose names are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owner on the record date i.e. Saturday, June 20, 2026.
5. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion or / change in such bank details. Further instruction, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depositories Participants.
6. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of appointment of Statutory Auditor given in the notice is annexed hereto.
7. The relevant details of Director seeking re-appointment under Item No. 3, as required under Regulation 36(3) of the Listing Regulations read with applicable provisions of the Companies Act, 2013 and relevant Secretarial Standards is given herein below.

Profile	
Full Name	Mr. Raman Chopra
DIN	00954190
DoB	November 25, 1965
Age	60 years
Original Date of Appointment	June 20, 2020
Qualification	Chartered Accountant.
Nature of expertise in specific functional areas/ Experience and Expertise	Mr. Chopra possesses a profound understanding of corporate finance, governance, and sustainability, enabling him to navigate complex financial landscapes with ease. He also has a very vast experience and expertise in the field of Administration, CSR, EHS, industry and general management Leadership, Strategic thinking, public policy and public advocacy.
Remuneration last drawn (including sitting fees)	As mentioned in the Corporate Governance Report.

Terms and conditions of appointment or re-appointment along with Remuneration to be paid	Mr. Raman Chopra, Non-Executive Director is retiring by rotation and has offered himself for re-appointment. Hence, there is no specific approval for remuneration is required. Further, details of remuneration is given under Corporate Governance Report.
Number of Board meetings attended during FY 2025-26	4/4
Shareholding (Equity Shares) including shareholding as a beneficial owner]	1,75,000(0.18%) equity shares
Relationship with other Directors, Manager, and KMP	None.
Membership of the Committees of the Company	<ol style="list-style-type: none"> 1. Audit Committee 2. Stakeholders Relationship Committee 3. Risk Management Committee 4. Banking & Operations Committee
Chairperson of Committees of the Company	None
Directorship held in other Companies	<ol style="list-style-type: none"> 1. GHCL Limited 2. Rosebys Interiors India Limited (under liquidation)
Membership of Committees held in other Indian public Companies	<p>Mr. Chopra is member of the following Committees in GHCL Limited</p> <ol style="list-style-type: none"> 1. Stakeholders Relationship Committee 2. Banking & Operations Committee 3. Corporate Social Responsibility Committee 4. Risk & Sustainability Committee
Chairpersonship of committees held in other Indian Companies	None
Listed entities in India from which the person has resigned as Director in past three years	None
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	As mentioned in the Corporate Governance Report .

Note: above details pertaining to Mr. Raman Chopra is as on date of the AGM Notice i.e. April 30, 2026. None of the Directors or KMPs, except Mr. Raman Chopra are interested in the Resolution at Item No. 3.

8. Members are requested to send their queries, if any, at least seven (7) days in advance of the meeting so that the information can be made available at the meeting.

9. Voting through electronic means:

(a) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure

Requirements), 2015 (“Listing Regulations 2015”) read with SEBI Master Circular no. SEBI/HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026 and other applicable provisions, if any, the Company is pleased to provide members the facility to exercise their right to vote at the 6th Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

- (b) A member may exercise his vote at any general meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and read with the MCA circulars and Regulation 44 of the Listing Regulation, 2015.
- (c) During the remote e-voting period, members of the Company, holding shares as on the cut-off date i.e. **Saturday, June 20, 2026** may cast their vote electronically. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.
- (d) The remote e-voting period commences at 9:00 a.m. (IST) on **Tuesday, June 23, 2026** and ends at 5:00 p.m. (IST) on **Friday, June 26, 2026**. The e-voting module shall be disabled by CDSL for voting thereafter.
- (e) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (f) The facility for voting, through electronic voting system, shall also be made available during the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

(g) Instructions for members for remote e-voting are as under:




Pursuant to Regulation 44 of the SEBI Listing Regulations, 2015 read with other applicable provisions, on e-voting facility provided by Listed Companies, Individual Members holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

In order to increase the efficiency of the voting process, all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants, able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Pursuant to said SEBI Master Circular, login method for e-Voting for Individual Members holding securities in Demat mode with NSDL/CDSL are given below:

(A) Access through Depositories (CDSL/NSDL) e-Voting system in case of individual shareholders holding shares in Demat mode:

Type of Members	Login Method
Individual Members holding securities in Demat mode with CDSL	<p>A. Existing users who have opted for Easi/Easiest</p> <p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. An option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System My Easi Tab.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>B. User not opted for Easi/Easiest:</p> <p>If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System My Easi Tab and then click on registration option.</p> <p>C. By visiting the e-voting website of CDSL:</p> <p>The user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Members holding securities in demat mode with NSDL	<p>A. User already registered for NSDL IDeAS facility</p> <p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile.</p> <p>Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section.</p> <p>A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</p> <p>Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.</p> <p>Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Type of Members	Login Method
	<p>B. User not registered for IDeAS e-Services:</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>After successful registration, please follow the steps given above to cast your vote</p> <p>C. by visiting E-Voting website of NSDL</p> <p>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.</p> <p>Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <ol style="list-style-type: none"> 1. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. <p>D. NSDL Speede</p> <p>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
<p>Individual Members (holding securities in Demat mode) login through their Depository Participants</p>	<ol style="list-style-type: none"> 1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

(B) Access through CDSL e-Voting system for shareholders other than individual shareholders holding shares in Demat mode.

Login method of e-Voting for Members (including HUF) other than individual Members.

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Members” tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Next enter the Image Verification as displayed and Click on Login.
- (iv) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (v) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) Click on the EVSN for <GHCL Textiles Limited> on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xiii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiv) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an option to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification

(C) Additional facility for Non – Individual Members and Custodians for remote voting only

Step 1: Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

Step 2: A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

Step 3: After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

Step 4: The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.

Step 5: It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Step 6: Alternatively, Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, at least 48 hours before the meeting to the Company at secretarial@ghcltextiles.co.in, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

10. Process for those members whose email/mobile no. are not registered with the company/depositories.

For Demat Members - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company (secretarial@ghcltextiles.co.in) / RTA (rnt.helpdesk@in.mpms.mufg.com).

For Individual Demat Members – Please update your email id & mobile number with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

11. The instructions for Members attending AGM through VC/OAVM and voting on the day of the AGM through e-voting system are as under:

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

- iii. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- v. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vii. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secretarial@ghcltextiles.co.in. The Members who do not wish to speak during the AGM but have queries may send their queries in advance **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (secretarial@ghcltextiles.co.in). These queries will be replied to by the company suitably by email.
- viii. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- ix. Only those Shareholders/ Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available in the AGM.
- x. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.

12. **For Assistance / Queries for e-voting etc.**

Login type	Helpdesk details
(i) Individual Members holding securities in Demat mode with CDSL	If you have any queries or issues regarding attending e-voting from the e-voting system, you may refer the Frequently Asked Questions and e-voting manual av (“FAQs”) available at www.evotingindia.com , under help section or write an email at helpdesk.evoting@cdslindia.com or contact at toll free no.18002109911 All grievances connected with the facility for voting by electronic means may be addressed to Mr. Nitin Kunder (022-62343626) or Ms. Asawari Kalokhe (022-62343624) or Mr. Rakesh Dalvi (022-62343611) (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 18002109911.
(ii) Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or Members facing any technical issue in login can contact NSDL or call at toll free no.: 022-48867000.

13. Mr. Manoj R. Hurkat, Practicing Company Secretary holding Membership No. F4287 and Certificate of Practice No. 2574 has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The Board has also authorised the Chairman of the Board to appoint one or more scrutinizers, who shall be practicing Company Secretary, in the event of absence or inability of Mr. Hurkat to discharge his duties.
14. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 48 hours from the conclusion of meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.ghcltextiles.co.in and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

15. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., MUFG Intime India Private Limited, Unit: GHCL Textiles Limited, Mr. Prashant Kirtikar, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083, changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participant.
16. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested, and all documents referred in the Notice and Explanatory Statement will be available for electronic inspection by the members, without any fee, by the members from the date of circulation of this Notice up to the date of AGM i.e. June 27, 2026. Members seeking to inspect such document(s) can send an email to secretarial@ghcltextiles.co.in
17. **TDS on dividend:** Pursuant to the Income Tax Act, 2025, dividend income is taxable in the hands of Members and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, please refer to the Income Tax Act, 2025. The Members are requested to update their PAN with the Depository Participants (DPs) (if shares held in dematerialized form). For further details please refer to website of the Company <https://ghcltextiles.co.in/investors/annual-general-meeting>.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4:

- A. Background:** Members are requested to note that S. R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005) were appointed as First Auditor of the Company by the Board of Directors and was further appointed as the Statutory Auditor of the Company for a period of five consecutive years i.e. from the conclusion of 1st AGM till the conclusion of 6th AGM to conduct the statutory audit of the Company for the Financial Years 2021-22 to 2025-26, which is going to be completed on the conclusion of the ensuing 6th Annual General Meeting.
- B. Recommendation and Selection Process:** Upon review of proposals received from eligible firms, the Audit Committee evaluated and recommended the appointment of Deloitte Haskins & Sells Chartered Accountants LLP as the new Statutory Auditor of the Company, having regard to the firm's professional standing, sector

expertise, audit methodology, scale of operations, and fee proposal. The Board of Directors, at its meeting held on April 30, 2026, considered and accepted the recommendation of the Audit Committee and resolved to recommend the appointment to the Members for approval at the ensuing 6th Annual General Meeting.

- C. Eligibility and Consent:** Deloitte Haskins & Sells Chartered Accountants LLP, have provided the Company with:
- a written consent to the proposed appointment under Section 139(1) of the Companies Act, 2013; and
 - a certificate confirming that the firm satisfies the eligibility criteria prescribed under Section 141 of the Act, that it is not disqualified from being appointed as auditor under any applicable provision of the Act or the rules framed thereunder, and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and the rules framed thereunder.
- D. Brief Profile of the Proposed Statutory Auditor:** Deloitte Haskins & Sells Chartered Accountants LLP, (Firm Registration No. 117364W / W100739) is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India, operating as part of the Deloitte Touche Tohmatsu Limited (DTTL) network — one of the largest professional services organisations in the world. The firm is registered in Ahmedabad and is one of the largest statutory audit firms in India, with a distinguished client base that includes several companies in the BSE 500. The firm has more than 100 Partners and Executive Directors and over 3,500 professionals operating from multiple cities across India. It provides statutory audit, assurance, tax, and advisory services across diverse sectors and brings with it deep sector expertise, a technology-driven audit methodology, and an unwavering commitment to audit quality and independence.
- E. Remuneration — Structure and Parameters:** The remuneration payable to Deloitte Haskins & Sells Chartered Accountants LLP, as Statutory Auditor of the Company, for a term of five-years commencing from the financial year 2026-27, be fixed as under:
- (i) First Year — Financial Year 2026-27:** The remuneration for the financial year 2026-27 shall be ₹ 40,00,000 (Rupees Forty Lakhs only), inclusive of fees for the statutory audit, certification of the Corporate Governance Report, and unhedged foreign currency exposure certification, as required under applicable laws and regulations.
- (ii) Subsequent Years — Financial Years 2027-28 to 2030-31:** The remuneration for each of the financial years 2027-28 to 2030-31 shall be determined annually by the Board of Directors, on the recommendation of the Audit Committee, after taking into account the following parameters:
- scope, complexity, and the applicable regulatory framework for the statutory audit for the relevant financial year;
 - extent of compliance monitoring, certification, and reporting obligations mandated under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Accounting Standards, and other applicable laws; and
 - changes in regulatory obligations, governance responsibilities, or audit scope arising from amendments to applicable laws and regulations during the tenure.
- (iii) Annual Increment:** The remuneration may be enhanced by up to 10% per financial year over the remuneration paid in the immediately preceding financial year, subject to review and approval by the Audit Committee and the Board of Directors, having regard to increase in compliance workload, governance obligations, and inflationary adjustments benchmarked against industry standards.

- (iv) **Maximum Cap:** Notwithstanding anything contained above, the total remuneration payable to the Statutory Auditor in any financial year during the tenure of five years shall not exceed ₹ 75,00,000 (Rupees Seventy Five Lakhs only), inclusive of all certifications under the audit engagement in that financial year.
- (v) **Other Services:** In addition to the audit engagement, the Company may obtain from the Statutory Auditor such certifications, audit-related services, and other permissible non-audit services as may be required from time to time under applicable statutory regulations, bank requirements, or regulatory mandates. Such additional services shall be remunerated separately on mutually agreed terms, subject to the approval of the Board of Directors in consultation with the Audit Committee, provided always that such services are permissible under applicable independence standards and NFRA directions.
- (vi) **Revision and Flexibility:** The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditor, subject to the overall maximum cap stipulated above.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of this Notice. The Board of Directors recommends the **Ordinary Resolution** set out at Item No. 4 of this Notice for approval by the Members.

Registered Office:
GHCL HOUSE
Opp. Punjabi Hall
Navrangpura, Ahmedabad - 380009

Dated: April 30, 2026
Place: Noida

By Order of the Board
for **GHCL Textiles Limited**

Lalit Narayan Dwivedi
Company Secretary
Membership No.: FCS 10487

Board's Report

Dear Shareholders,

We are delighted to present the 6th Board's Report and the Audited Financial Statements of the Company for the financial year ended on March 31, 2026.

This report provides a comprehensive overview of the Company's performance and developments during the year under review. It highlights the key achievements, challenges faced, and the strategic measures undertaken to ensure sustainable growth and operational efficiency. The report also covers the core aspects of our business operations, including financial performance, operational

milestones, risk management, internal controls, and governance practices. Further, it reflects the Company's continued commitment towards creating value for its stakeholders while maintaining high standards of corporate governance, ethical business conduct, and contributing positively to the environment and society.

1: FINANCIAL RESULTS AND STATE OF AFFAIRS

Summary of the financial performance of the Company for the financial year ended March 31, 2026 (compared to the previous year ended on March 31, 2025) as follows:

Particulars	₹ in crores	
	Year ended March 31, 2026	Year ended March 31, 2025
Net Sales /Income	1,334.80	1,168.12
Gross profit before interest and depreciation	156.11	116.68
Finance Cost	5.25	2.74
Profit before Depreciation and amortization expense	150.86	113.94
Depreciation and amortization expense	57.90	50.65
Profit before Tax (PBT)	92.96	63.29
Tax Expenses	22.59	7.32
Profit for the year	70.37	55.97
Other comprehensive income (OCI)	-0.48	0.43
Total Comprehensive income for the period	69.89	56.40
Balance brought forward from last year	78.10	26.48
Appropriations		
Final Dividend	4.78	4.78
Balance carried to Balance Sheet	213.10	78.10
EPS (basic and diluted) (in ₹)	7.36	5.86
Book Value of Shares (in ₹)	157.19	150.38

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under the applicable provisions of the Companies Act, 2013 and the rules made thereunder. The adoption of Ind AS ensures a high degree of compliance, transparency, and consistency in financial reporting. These standards provide a robust framework for the recognition, measurement, presentation, and disclosure of financial information, thereby enabling a true and fair view of the Company's financial position, financial performance, and cash flows. The management has exercised due care and diligence in the preparation of these financial statements, ensuring that they are reliable, comparable, and aligned with globally accepted accounting practices.

2: MANAGEMENT DISCUSSION & ANALYSIS

In accordance with Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, attention is drawn to the Management Discussion and Analysis (MDA) Report, which provides a comprehensive review of the Company's operations, performance, and future outlook. The MDA Report forms an integral part of this Annual Report and is incorporated herein by reference.

The MDA offers detailed insights into various aspects of the Company's business, including industry and market trends, financial performance, key achievements, challenges, and strategic initiatives. It presents a holistic perspective on the Company's operations and outlines management's views on future prospects, growth opportunities, and potential risks.

Stakeholders, including shareholders and investors, are encouraged to refer to the MDA Report for a comprehensive understanding of the Company's business performance and outlook, as it serves as a valuable resource for in-depth analysis and evaluation of the Company's strategic direction.

3: DIVIDEND

We are pleased to announce that in accordance with our Dividend Distribution Policy, the Board of Directors has recommended a dividend of ₹ 0.60 (Sixty Paise) per equity share of ₹ 2/- each, representing 30% of the paid-

up equity share capital, for the financial year ending on March 31, 2026.

The recommended dividend is in conformity with the Company's Dividend Distribution Policy adopted pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The proposed dividend, if approved at the Annual General Meeting scheduled on Saturday, June 27, 2026, will be paid to those shareholders whose names appear on the Register of Members or in the records of the depositories as on the Record Date, i.e., Saturday, June 20, 2026.

Further in compliance with the applicable provisions of the Income Tax Act, 2025, the following TDS framework is applicable on dividend payments made by the Company:

- **Resident shareholders:** TDS is applicable at the rate of **10%** on dividend payments under Section 393(1) of the Income Tax Act, 2025. However, no TDS shall be deducted where the aggregate dividend payable to an individual resident shareholder during the financial year does not exceed **₹10,000**, in accordance with Section 393(4).
- **Exempt categories:** In terms of Section 393(4), TDS is not applicable on dividend payments made to the Life Insurance Corporation of India, the General Insurance Corporation of India, and other specified insurers notified for this purpose. Further, dividend payments made to Mutual Funds are exempt under Schedule VII of the Income Tax Act, 2025 and accordingly no TDS shall be deducted thereon.
- **Non-resident shareholders:** TDS shall be deducted at the rate of **20%** (plus applicable surcharge and Health and Education Cess) under Section 393(2) of the Income Tax Act, 2025, or at the lower rate as may be applicable under the relevant Double Taxation Avoidance Agreement (DTAA) between India and the country of residence of the shareholder, subject to furnishing of prescribed documents and declarations within the stipulated timelines.

Shareholders are requested to update their residential status, PAN, and other relevant details with their Depository Participant / the Company's Registrar and Share Transfer Agent to ensure correct application of TDS provisions.

The Company remains committed to adhering to the applicable regulatory requirements, promoting transparency, and maximizing shareholder value through responsible dividend distribution practices.

4: DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company formulated and adopted the Dividend Distribution Policy (DDP) in a meeting held on January 02, 2023 and further amended the policy in its meeting held on May 05, 2025. The policy has been established to promote transparency and clarity in determining the quantum of dividends. It outlines the Board's commitment to maintaining a dividend pay-out ratio, which includes the dividend tax, in the range of 8% to 12% of profits after tax (PAT) on a standalone basis.

The updated Dividend Distribution Policy is available on Company's website at the following link: <https://ghcltextiles.co.in/wp-content/uploads/2025/05/GHCL-Textiles-Dividend-Policy.pdf>

The Policy serves as a guiding framework for the Board of Directors in making decisions on the recommendation of dividends. It ensures a consistent and balanced approach to dividend pay-outs and reaffirms the Company's commitment to enhancing shareholder's value.

5: TRANSFER TO RESERVES

The Board of Directors has decided that no amount of profit for Financial Year 2025-26 shall be transferred to the reserve account. Instead, the profits after dividend payments will be retained to strengthen financial stability, support growth initiatives, and enhance overall financial resilience.

6: SHARE CAPITAL

As on March 31, 2026, the Authorised Equity Share Capital of the Company is ₹ 35,15,00,000/- comprising of 17,57,50,000 equity shares of ₹ 2/- each and the paid-up Equity Share Capital of the Company is ₹ 19,11,71,572/- comprising of 9,55,85,786 equity shares of ₹ 2/- each.

a. Suspense Escrow Account

Pursuant to the approved Scheme of Demerger effective from April 1, 2023, the Board of Directors of Resulting Company, GHCL Textiles Limited in its meeting held on April 12, 2023 issued and allotted 9,55,85,786 equity shares of ₹ 2/- each to the shareholder of Demerged Company (GHCL Limited) who held shares of demerged Company as on cut-off date (i.e. April 08, 2023). Further as per the approved Scheme and in compliance with SEBI guidelines, Company issued and allotted shares only in Demat mode and all the shares due to physical shareholders were credited to a separate Suspense Escrow Demat Account maintained by the Company.

The Company had sent intimation letters alongwith a detailed procedure for claiming the entitled shares in GHCL Textiles Limited to the address available with the RTA. The detailed procedure and necessary Forms for claiming said shares from Suspense Escrow Demat Account are also available on the website of the Company on the following links <https://ghcltextiles.co.in/claim-procedure-physical-shares>.

Physical shareholders who hold shares of Demerged Company on record date, are required to submit their claim alongwith the requisite documents and completed forms to the RTA, who will process the request. The details of shares lying in Suspense Escrow Account are as follows:

Particulars	No. of shareholders	No. of shares
Aggregate Number of Shareholders and shares in Suspense Escrow Account at the beginning of the financial year i.e. as on April 1, 2025.	8,150	19,15,043
Less: Number of Shareholders who claimed and to whom shares from suspense Account credited during the financial year 2025-26	107	28052
Number of Shareholders and outstanding shares lying in Suspense Escrow Account at the end of the financial year i.e. as on March 31, 2026	8,043	18,86,991
Voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares.		

b. Investor Education and Protection Fund (IEPF)

GHCL Textiles Limited allotted and credited 10,90,366 equity shares of the Company to the eligible Shareholders as per their entitlement of the Shareholders, who held shares of GHCL Limited (Demerged Company) as on record date (i.e. April 08, 2023), and whose share had already been transferred to the IEPF account by the Demerged Company. Such Shareholders can claim their respective shares in GHCL Textiles Limited from the IEPF Authority by filing Form IEPF- 5. The detailed procedure for claiming shares from IEPF account is also available on the website of the Company i.e. <https://ghcltextiles.co.in/claim-procedure-iepf>

7: FINANCE

7.1. Resource Mobilization

During the year, your Company renewed its working capital facilities at the existing level of ₹ 400 crores, comprising Fund-Based limits of ₹ 300 crores and Non-Fund-Based limits of ₹ 100 crores. The working capital consortium consists of Bank of Baroda, CTBC Bank, HDFC Bank, IDBI Bank, ICICI Bank and State Bank of India, with State Bank of India acting as the Lead Bank. These working capital facilities are sufficient for day-to-day operations of the company.

7.2. Interest Rate Management

During the year, the Reserve Bank of India reduced the Repo Rate by 100 basis points from 6.25% to 5.25%. However, the benefit of this rate reduction was not fully transmitted to borrowing costs across the Indian economy due to the global macroeconomic environment and persistent tight liquidity conditions in the banking system. Despite these challenges, your Company proactively managed its banking and treasury operations and successfully achieved significant reduction in its borrowing cost during the year, reflecting strong financial discipline, efficient treasury management, and enhanced confidence among lending institutions.

As on March 31, 2026, the Company's short-term borrowings stood at ₹ 133.61 crores, including foreign currency suppliers' credit, at a weighted average interest

rate of 6.66% per annum, inclusive of forward premium. Interest accrued on these borrowings amounting to ₹ 0.61 crore has been paid in the subsequent quarter.

During the year, the Company fully repaid its term loan amounting to ₹ 7.16 crores on a timely basis, and accordingly, no term loan was outstanding as on March 31, 2026.

7.3. Upgradation of External Credit Ratings

During the year, your company achieved a significant milestone as the credit rating were upgraded for the first time ever, since demerger.

CARE Ratings Limited upgraded the Company's credit ratings from CARE A- (Stable) to CARE A (Stable) for long-term bank facilities and from CARE A2+ to CARE A1 for short-term bank facilities.

The rating upgrade reflects the Company's efficient cash flow management, prudent financial practices, consistent track record of timely debt servicing and a healthy balance sheet position. The improvement in ratings further reinforces the confidence of credit rating agency, lenders, financial institutions, and other stakeholders in the Company's operational and financial strength.

7.4. Expansion through Internal Accruals

During the year, your company incurred ₹ 67.93 crores on growth and maintenance capital expenditure. These funds were financed through company's internal accruals. This Capex has further strengthened company's capacity, forward integration into knitting fabric and enhancing the solar energy capacity. This demonstrates the prudent capital allocation policies and strength of balance sheet.

8: BOARD MEETINGS

The Board of Directors follows a structured approach to planning and conducting its meetings, which are typically scheduled in advance. However, meetings may occasionally be convened at shorter notice for urgent matters, subject to compliances with applicable requirements. During the financial year ended March 31, 2026, the Board of Directors met four times (i.e. on May 05, 2025, July 29, 2025, November 01, 2025 and January

29, 2026) to review strategic, operational and financial performance of the company. However, no meeting was held on shorter notice during the reporting financial year. Details of the Board meetings are also provided in the Corporate Governance Report.

The intervals between the meetings were in compliance with the Companies Act, 2013 and SEBI Listing Regulations, 2015.

9: DIRECTORS

- (i) Your Directors are pleased to announce that Mr. Raman Chopra, Non-Executive Director, is retiring by rotation and being eligible, offer himself for re-appointment. The Board recommends his re-appointment at the ensuing Annual General Meeting.
- (ii) On the recommendation of the Nomination and Remuneration Committee(NRC), the Board of Directors at their meeting held on January 29, 2026 recommended the appointment of Mr. Alok Raj, IRS(Retd.) as Independent Director of the Company for a term of 5 consecutive years w.e.f. April 01, 2026 to March 31, 2031, which was approved by the shareholders through postal ballot on March 12, 2026.
- (iii) Justice Ravindra Singh (Retd.) had completed his term as Independent Director of the Company on March 31, 2026. The Board of Directors and management of the Company expressed their appreciation and gratitude to him for his valuable contribution for sustainable growth of the Company.
- (iv) All Independent Directors have submitted declarations confirming their independence and affirming their ability to discharge duties objectively and without external influence. Compliance with Section 149(6) of the Companies Act, 2013, and Regulation 16(1) (b) & Regulation 25(8) of the SEBI Listing Regulations has been duly ensured.

Further, None of the Directors are debarred from holding the office of Director pursuant to any order issued by SEBI, MCA or any other authority in line with SEBI circular dated June 20, 2018 on the

enforcement of SEBI order on the appointment of Directors by the listed Companies. The certificate in this regard have been obtained from the Secretarial Auditor of the Company.

In the opinion of the Board, the Independent Directors on the Board of the Company possess the requisite qualifications, experience, expertise, proficiency and uphold high standards of integrity in terms of Rule 8 of the Companies (Accounts) Rules, 2014.

(v) Lead Independent Director:

The Board of Director, in its meeting held on July 29, 2025, appointed Mrs. Sudha Pillai, Independent Director and Chairperson of the Nomination & Remuneration Committee, as the Lead Independent Director. Her role involved strengthening governance, facilitating independent oversight, and enhancing board effectiveness. The specific roles and responsibilities of the Lead Independent Director are detailed in the Corporate Governance Report within the Annual Report.

(vi) Procedure for Nomination and Appointment of Directors

Detailed information regarding the nomination and appointment process of Directors, along with the list of core skills, expertise, and competencies of the Board of Directors, is provided in the Corporate Governance Report, which is formed part of the Annual Report. The Corporate Governance Report offers comprehensive insights into the governance practices of the Company, ensuring transparency and accountability in the selection and composition of the Board of Directors.

(vii) Familiarization program for Independent Directors:

The Company has a structured familiarization programme for its Independent Directors, aimed at enabling them to understand the Company, its operations, business environment, and the regulatory framework applicable to it. At the time of appointment of a Director (including Independent Directors), a formal letter of appointment is issued,

outlining, *inter alia*, the role, functions, duties, and responsibilities expected of them as a Director of the Company. The Directors are also apprised of their compliance obligations under the Companies Act, 2013, the Listing Regulations, and other applicable laws.

The management conducts interactions with newly appointed Directors to familiarize them with the Company's operations. Additionally, upon request, site visits to various plant locations are organized to provide practical exposure to the Company's operational processes. Further, on an ongoing basis, presentations are regularly made as part of the agenda of Board and Committee meetings, covering, *inter alia*, the Company's business and operations, industry developments, and regulatory updates. During the Financial year, Company also organized the plant visit of the three Independent Directors.

(viii) Board Evaluation

In line with the Companies Act, 2013, SEBI Guidance Note on Board Evaluation, and SEBI Listing Regulations, the Board conducted its annual evaluation for the financial year 2025-26 during its meeting held on April 30, 2026, wherein the performance of all Independent Directors (except the Director being evaluated) was assessed by the entire Board. Additionally, a separate meeting of Independent Directors was held on April 10, 2026, to evaluate the performance of the Non-Independent Directors, Chairman of the Board, the Board as a whole and its Committees, in accordance with the requirements of Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations. For reference, the corresponding evaluations for the financial year 2024-25 were conducted at the Board meeting held on May 5, 2025, and at the separate Independent Directors' meeting held on April 15, 2025.

The Board's evaluation covered critical areas such as roles and responsibilities, competencies, strategic direction, risk management, diversity, and industry relevance. A comprehensive questionnaire was circulated to assess Directors' knowledge, independence, involvement in decision-making,

strategic engagement, and risk awareness. The evaluation also included an assessment of the Chairman's leadership, coordination, and facilitation skills after taking feedback from executive directors and non-executive directors.

The Nomination and Remuneration Committee (NRC) reviewed the performance of individual Directors based on their contributions to the Board and its committees. Additionally, the profit-based commission for Directors was determined, ensuring that remuneration aligns with individual and overall Board performance.

This structured evaluation process strengthens Board effectiveness, enhances individual contributions, and ensures fair and performance-driven remuneration, reinforcing our commitment to strong corporate governance.

10: KEY MANAGERIAL PERSONNEL

During the financial year ended on March 31, 2026, Mr. R Balakrishnan, Chief Executive Officer of the Company was superannuated on May 31, 2025 and Mr. Marshal Rajendrakumar Sonavane was appointed as Chief Executive Officer of the Company w.e.f. June 01, 2025. Further Mr. M. Parasuraman is also appointed as Chief Financial Officer (CFO) of the Company w.e.f. May 29, 2025. The Board had designated them as Key Managerial Personnel of the Company.

In terms of Section 203 of the Act, the Key Managerial Personnel ('KMPs') of the Company during the Financial Year ended on March 31, 2026 are

1. Mr. Marshal Rajendrakumar Sonavane, CEO
2. Mr. Lalit Narayan Dwivedi, Company Secretary and
3. Mr. M. Parasuraman, CFO

11: MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

Disclosures regarding remuneration and other relevant details, as required by Section 197(12) of the Companies Act, 2013, and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been provided as an Annexure to this Report.

Further as per the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the names and other particulars of employees who receive remuneration exceeding the limits specified in the aforementioned rules has been attached as **Annexure-I** to this Report. This statement provides the necessary information about such employees in accordance with applicable accounting requirements.

12: COMMITTEES OF THE BOARD OF DIRECTORS

In view of the changes in the composition of the Board and to strengthen corporate governance practices and executing smooth business operations of the Company, the Board of Directors has constituted/ reconstituted the following Committees:

Sr. No.	Name of Committees
1	Audit Committee
2	Nomination & Remuneration Committee
3	Stakeholders Relationship Committee
4	Risk Management Committee
5	Corporate Social Responsibility Committee
6	Banking & Operations Committee

12.1. Audit Committee

The Board of Directors in its meeting held on March 06, 2023 constituted the Audit Committee as per the requirement of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the Listing Regulations. The Committee was subsequently reconstituted w.e.f. March 06, 2025.

The primary purpose of the Audit Committee is to ensure effective supervision and monitoring of the management's financial reporting process, while upholding the highest standards of transparency, integrity, and financial reporting quality.

As on March 31, 2026, the Committee comprises of three members. The Committee is chaired by Mr. C. R.

Rajagopal, with Mr. V. K. Jeyakodi and Mr. Raman Chopra serving as members. All members of the Committee are Non-Executive Directors (majority of Independent Director), having expertise in finance, accounts, strategy, tax, and general administration. During the financial year, the committee convened four meetings (May 05, 2025, July 29, 2025, November 01, 2025 and January 29, 2026). Further details about the Audit committee can be found in the Corporate Governance Report at page no. 60-61.

Communication Framework between Those Charged with Governance (TCWG) and Statutory Auditors:

Pursuant to the NFRA circular dated January 07, 2026, the Board of Directors in its Meeting held on January 29, 2026, formed the TCWG, consisting all the members of Audit Committee. Subsequent to the financial year ended on March 31, 2026, on the recommendation of the Audit Committee, the Board of Directors of the Company, in its meeting held on April 30, 2026 approved a formal Communication Framework between Those Charged with Governance (TCWG) and Statutory Auditors – a structured governance mechanism designed to strengthen audit quality, enhance transparency, and ensure effective two-way communication between the Audit Committee and the Statutory Auditors throughout the audit cycle.

The Framework establishes, inter alia, the following governance architecture:

- The Audit Committee of the Board of Directors has been designated as TCWG for the purposes of the Framework, with the Chairman of the Audit Committee and Mr. Raman Chopra, Audit Committee Member serving as Nodal Persons on behalf of the Board, and the Audit Engagement Partner serving as Nodal Person on behalf of the Statutory Auditors;
- Structured meetings between the Nodal Persons of the Board and the Audit Engagement Team at least once every quarter, separately from and in addition to the regular Audit Committee meetings, to facilitate candid and direct communication on significant audit matters;
- A minimum of three formal communications by the Statutory Auditors to TCWG during the year

- before commencement of audit along with the Audit Plan; after completion of test of controls and before conclusion of substantive testing; and at the completion of the audit;
- A comprehensive two-way communication protocol covering audit strategy and planning, risk of material misstatement, significant accounting estimates and judgments, internal financial controls, related party transactions, fraud risks, going concern assessment, auditor independence, and key audit matters;
- A formal escalation mechanism for immediate communication to TCWG of significant matters having impact on financial reporting, fraud, serious control failures, regulatory breaches, or any difficulties encountered in the conduct of the audit; and
- Robust documentation standards for all communications, including agreed minutes of meetings, written confirmations prior to issuance of audit reports, and maintenance of a traceable audit communication record.

The TCWG held an independent meeting with the Statutory Auditors on April 28, 2026, in compliance with the requirements of the NFRA Circular dated January 07, 2026 and the applicable provisions of the Framework. This meeting provided TCWG with an unrestricted forum to engage directly with the Statutory Auditor on matters of audit quality, independence, and significant findings.

The Board believes that the adoption of this Framework reflects GHCL Textiles Limited's commitment to the highest standards of audit governance and positions the Company at the forefront of evolving regulatory expectations in this area. The Framework is available on the Company's website at www.ghcltextiles.co.in

12.2. Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted as per the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Committee was reconstituted w.e.f. March 06, 2025. Subsequent to the financial year end, the

Committee was further reconstituted on April 01, 2026, following the appointment of Mr. Alok Raj, Independent Director.

The Committee is responsible for determining the qualifications, positive attributes, and independence of Directors, and to recommending a remuneration policy for Directors, Key Managerial Personnel, and other employees.

As on March 31, 2026, Nomination & Remuneration Committee comprised of three Independent Directors. The Committee is chaired by Mrs. Sudha Pillai, with Justice Ravindra Singh (Retd.) and Mr. V K Jeyakodi, serving as members. Further details about the Committee can be found in the Corporate Governance Report at page no. 62-65.

Nomination and Remuneration Policy

The Board, upon the recommendation of NRC, has approved the Nomination and Remuneration Policy for Directors, Key Managerial Personnel (KMP), and all other employees. The Policy aims to attract, retain, and motivate qualified individuals, ensure market competitiveness in salaries, provide performance-based rewards, and comply with statutory requirements. It provides guidance for the effective management of nominations and remuneration decision, aligning with Company's strategic objectives and industry benchmarks. The Policy is available on the website at the company <https://ghcltextiles.co.in/wp-content/uploads/2024/04/GHCL-Textiles-Limited-Nomination-and-Remuneration-Policy.pdf>

12.3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been established in accordance with Section 178(5) of the Companies Act, 2013, and Regulation 20 of the Listing Regulations. The Committee was reconstituted w.e.f. March 06, 2025. Subsequent to the financial year end, the Committee is further reconstituted w.e.f. April 01, 2026 after appointment of Mr. Alok Raj as an Independent Director and tenure completion of Justice Ravindra Singh (Retd.).

The Committee's main responsibility is to address and resolve grievances raised by the Company's security holders, which include concerns related to share transfers, non-receipt of annual reports, and non-receipt of dividends, among others. The detail composition of the Committee is provided in Corporate Governance Report.

As on March 31, 2026, Stakeholders Relationship Committee comprised four Non-Executive Directors. The Committee is chaired by Justice Ravindra Singh (Retd.) with Mr. Ravi Shanker Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia serving as members of the Committee. Further details about the Committee can be found in the Corporate Governance Report at page no. 65-66.

12.4. Risk Management Committee

As per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, constitution of a Risk Management Committee is mandatory for the top 1,000 listed companies based on market capitalisation as at the end of the immediately preceding financial year. Although this requirement is not presently applicable to the Company, the Board of Directors, as a measure of good corporate governance, has voluntarily constituted a Risk Management Committee and formulated a Risk Management Policy to identify, assess, and mitigate key business risks.

As on March 31, 2026, the Committee comprised five Non-Executive Directors, with Mr. C. R. Rajagopal, Independent Director, serving as Chairman. The other members of the Committee are Mr. Anurag Dalmia, Mr. Ravi Shanker Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia. Subsequent to the financial year end, the Committee was further reconstituted vide a circular resolution with effect from April 01, 2026, pursuant to which Mr. Marshal R. Sonavane, CEO (non-Board member), was appointed as a member of the Committee in recognition of the importance of senior management participation in the risk oversight framework.

The Company recognises that technological advancements, geopolitical developments, and evolving regulatory and environmental requirements have significant bearing on its business. To ensure long-term sustainability, the Company systematically

manages risks and seeks to capitalise on opportunities arising from these factors. The Board of Directors holds ultimate responsibility for risk oversight, while the Risk Management Committee provides strategic guidance for implementing the Risk Management Policy across the organisation. The operational heads of each business unit serve as risk owners, monitoring key risks and proactively implementing appropriate mitigation plans, thereby preventing significant adverse events and contributing to long-term value creation.

The Company's Risk Management Policy, as approved by the Board, is available on the Company's website at: <https://ghcltextiles.co.in/wp-content/uploads/2023/02/Risk-Management-Policy.pdf>

12.5. Corporate Social Responsibility Committee

The Company continues to uphold its dedication to promoting inclusive and sustainable growth and has been involved in initiatives focused on the overall development and well-being of society. In order to reach a wider range of beneficiaries, the company has expanded and improved its Corporate Social Responsibility (CSR) initiatives through the GHCL Foundation Trust.

These efforts aim to empower marginalized and disadvantaged communities by enhancing access to quality education, healthcare, job opportunities, and environmental sustainability. The Company has also played a role in building vital social infrastructure, thus improving the overall quality of life and wellness of the communities it supports. By adopting a systematic and results-focused strategy, the Company persists in generating significant and enduring value for the broader society

The Company's CSR activities are guided by a comprehensive CSR Policy. The details of policy and annual plan can be accessed on Company' website www.ghcltextiles.co.in. The CSR Policy can be found directly at the link: <https://ghcltextiles.co.in/investors/csr-policies>.

During the financial year, Company has incurred ₹ 66 lacs towards its CSR obligation and adjusted the same against the value of the land donated to the State

Government of Tamilnadu for construction of a stadium to support rural sports. GHCL Foundation also incurred ₹ 55 lacs towards CSR activities, during the financial year 2025-26 in the nearby areas of the plants of the Company in the field of Agriculture, Health, Education & Vocational Training, Women empowerment etc. and there were approx. 10,000 beneficiaries benefited from the CSR activities during the financial year.

The CSR Committee of the Company was reconstituted w.e.f. March 06, 2025, with four Non-Executive Directors. Mr. Anurag Dalmia, Non-Executive Director serving as the Chairperson. The other members of the Committee are Justice Ravindra Singh (Retd.), Mrs. Sudha Pillai, Independent Directors and Mr. Neelabh Dalmia, Non-executive Director. Subsequent to the financial year end, the Committee is further reconstituted w.e.f. April 01, 2026 after appointment of Mr. Alok Raj as an Independent Director and tenure completion of Justice Ravindra Singh (Retd.).

Detailed information about the Committee and its activities can be found in the Corporate Governance Report and website of the Company. A detailed report on CSR activities is provided in **Annexure-II** attached with this report.

12.6. Banking & Operations Committee

The Board of Directors had constituted the Banking and Operations Committee to facilitate the day to day functioning of the Company and to exercise powers delegated by the Board. This Committee meets as per the requirement of business, to expedite all matters relating to operations and granting authority for various functional requirements such as issue of Power of Attorney, arranging / negotiating of term loans, working capital loan, short term loan, dealings with Central / State Governments including their agents and various statutory / judicial / regulatory / local / commercial / excise / customs / port / sales tax / income tax / electricity board etc. and other authorities on behalf of the Company in line with the delegated authority of Board of Directors from time to time. As on March 31, 2026, the Members of the Committee include Justice Ravindra Singh (Retd.), Independent Director, Mr. Raman Chopra and Mr. Neelabh Dalmia, Non-Executive Directors of

the Company. Subsequent to the financial year end, the Committee is reconstituted w.e.f. April 01, 2026 and Mr. Alok Raj, Independent Director, Mr. Ravi Shanker Jalan, Mr. Raman Chopra and Mr. Neelabh Dalmia, Non-Executive Directors are the present members of the Committee.

13:VIGIL MECHANISM

In terms of Section 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to establish a Vigil Mechanism for its Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct or Ethics Policy.

In compliance with the above requirements and in furtherance of its commitment to conducting its affairs in a fair, transparent, and ethical manner, GHCL Textiles Limited has established a robust Vigil Mechanism, the framework for which is embodied in the Company's Whistle Blower Policy. The Policy provides a structured and secure channel for Directors, employees, and other stakeholders to report genuine concerns, instances of misconduct, or violations of applicable laws, regulations, or the Company's Code of Conduct, directly to the Ombudsperson and / or the Chairperson of the Audit Committee, without fear of retaliation, victimisation, or any adverse consequences. Adequate safeguards are in place to protect persons who avail of the Vigil Mechanism and report concerns in good faith.

The Vigil Mechanism ensures that:

- any Director or employee may report concerns directly to the Chairperson of the Audit Committee in exceptional cases, bypassing the normal reporting hierarchy;
- the identity of the person availing the Vigil Mechanism is protected to the extent possible and consistent with the need to conduct a fair investigation; and
- the Audit Committee oversees the functioning of the Vigil Mechanism and receives periodic updates on complaints received, investigated, and resolved thereunder.

The Vigil Mechanism is periodically reviewed to ensure its continued relevance and effectiveness. During the financial year ended March 31, 2026, no complaint was received under the Vigil Mechanism. The Whistle Blower Policy, which embodies the Vigil Mechanism framework of the Company, is available on the Company's website at www.ghcltextiles.co.in.

14: DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is deeply committed to creating and maintaining a safe, inclusive and respectful work environment where every individual is protected from any form of harassment, exploitation, or intimidation. In line with this commitment, and as mandated by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and its related Rules, the Company has adopted a comprehensive Policy for the prevention of sexual harassment.

Internal Complaints Committees have been set up at all major locations of the Company. These Committees are entrusted with the responsibility of receiving and addressing any complaints of sexual harassment at the workplace. They operate with transparency, impartiality, and adhere to prescribed timelines, to ensure a fair and unbiased investigation process.

The Company also conducts regular awareness programs to educate employees about their rights, the provisions of the POSH Act, and the available redressal mechanism. These initiatives aim to build a culture of respect, sensitivity, and gender equality in the workplace.

We are pleased to report that no complaint related to sexual harassment were received during the financial year ended on March 31, 2026, under the POSH Act.

15: CHANGE IN NATURE OF BUSINESS

During the financial year 2025-26, the core business of the Company remained unchanged, ensuring continuity, stability, and consistency in its operations. The Company has undertaken strategic initiatives to expand

its product portfolio, with the addition of **Specialty Yarn** (Core Spun and Slub Yarn) in its product basket, in the financial year 2025-26.

Further, we would like to confirm that there is no material change in the nature of business of the Company during the period from April 1, 2026, to till the date of signing this report.

16: SUBSIDIARIES, JOINT VENTURES & ASSOCIATES

The Company does not have any subsidiary, joint venture or associate Company as on March 31, 2026.

17: CORPORATE GOVERNANCE

The Company places great importance on maintaining the highest standards of Corporate Governance. It recognizes that good governance practices not only promote transparency and accountability but also contribute to the overall credibility and trustworthiness of the organization. In line with this commitment, the Company diligently adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI).

To strengthen its governance framework, the Company has implemented several best practices. These practices encompass various aspects of governance, including board composition and structure, independent Directors, board Committees, risk management, internal controls, ethical conduct, and stakeholder engagement. These practices are designed to ensure effective oversight, decision-making, and protection of the interests of all stakeholders.

As part of the Annual Report, the Company includes a comprehensive report on Corporate Governance, as mandated by Regulation 34 of the SEBI Listing Regulations. This report provides detailed information on the Company's governance structure, policies, and practices, giving stakeholders valuable insights into the Company's governance framework.

Furthermore, the Company obtains a certificate from its Statutory Auditor, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations, 2015. This certificate serves as

an independent validation of the Company's adherence to the prescribed governance norms.

By upholding strong Corporate Governance standards and integrating best practices, the Company aims to foster trust, integrity, and long-term sustainability. It recognizes that effective governance is essential for creating value and maintaining strong relationships with shareholders, employees, customers, suppliers, and other stakeholders.

18: BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

As per the revised Regulation 34(2)(f) of the SEBI Listing Regulations, 2015 and the National Guidelines on Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs, Government of India, the top one thousand listed Companies by market capitalization are required to prepare and present a Business Responsibility and Sustainability Report (BRSR) in line of the erstwhile Business Responsibility Report (BRR) to the stakeholders.

As on December 31, 2025, GHCL Textiles Limited is ranked on 1525th position at NSE and on 1607th position at BSE based on market capitalization, accordingly reporting of Business Responsibility and Sustainability Report (BRSR) as per Regulation 34(2)(f) of the Listing Regulations, 2015 is not applicable for FY 2025-26.

19: SECRETARIAL STANDARDS

During the year under review, the Company has complied with all the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs. These standards serve as essential benchmarks for ensuring effective corporate governance, standardized practices, and regulatory compliance in the conduct of Board and General Meetings.

The Company has consistently ensured compliance through well-defined internal processes, proper documentation, and timely and accurate disclosures. This disciplined approach not only strengthens the Company's governance framework but also enhances stakeholder confidence and trust in the Company's operations and management practices.

20: AUDITORS AND AUDIT REPORTS

(i) Statutory Auditor

S. R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005), were appointed as the Statutory Auditor of the Company at the 1st Annual General Meeting held on June 18, 2021, for a period of five consecutive years commencing from the conclusion of the 1st AGM until the conclusion of the 6th AGM, to conduct the statutory audit for the financial years 2021-22 to 2025-26. S. R. Batliboi & Co., LLP have audited the books of accounts of the Company for the financial year ended March 31, 2026 and have issued their Audit Report thereon. Their tenure stands completed at the conclusion of the ensuing 6th Annual General Meeting.

Appointment of New Statutory Auditor: Upon the recommendation of the Audit Committee, the Board of Directors at its meeting held on April 30, 2026 has recommended to the Members the appointment of Deloitte Haskins & Sells Chartered Accountants LLP, (Firm Registration No. 117364W/W100739) as the Statutory Auditor of the Company, for a term of five consecutive years commencing from the conclusion of the 6th Annual General Meeting until the conclusion of the 11th Annual General Meeting, to conduct the statutory audit for the financial years 2026-27 to 2030-31, subject to approval of Members at the ensuing 6th Annual General Meeting.

The Company has received from Deloitte Haskins & Sells Chartered Accountants LLP a written consent to the proposed appointment under Section 139(1) of the Companies Act, 2013, and a certificate confirming that the firm satisfies the eligibility criteria prescribed under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and the rules framed thereunder.

An Ordinary Resolution proposing this appointment, along with the detailed profile of Deloitte Haskins & Sells Chartered Accountants LLP, the remuneration structure, and the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, forms part of the Notice of the 6th Annual General Meeting annexed to this Annual Report, to which Members are requested to refer.

(ii) Cost Auditor

The Company maintains cost records as prescribed under Section 148 of the Companies Act, 2013, and appoint Cost Accountant to conduct an audit of these records. The Board of Directors in its meeting held on May 05, 2025 based on the recommendation of the Audit Committee, appointed R J Goel & Co., Cost Accountants, New Delhi, as the Cost Auditor of the Company for the financial year ended on March 31, 2026. The Cost Audit Report for the financial year ended March 31, 2025, does not contain any qualification or adverse remarks requiring clarification or explanation.

(iii) Internal Auditor

As per provisions of Section 138 of the Companies Act, 2013, every Listed Company is required to appoint an Internal Auditor to conduct internal audit of the functions and activities of the Company.

The Board of Directors in its meeting held on May 05, 2025 based on the recommendation of the Audit Committee, has approved the appointment of M/s. SPMB and Co. LLP, Chartered Accountants, Chennai, as the Internal Auditor of the Company for the financial year ended on March 31, 2026 to conduct the internal audit of the activities of the Company.

(iv) Secretarial Auditor

Section 204 of the Companies Act, 2013 read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every listed company to undertake a Secretarial Audit and annex the Secretarial Audit Report, given by a Company Secretary in practice in the prescribed form, to its Board's Report.

In compliance with the above requirements, the shareholders of the Company at the 5th Annual General Meeting held on July 21, 2025 appointed Chandrasekaran Associates, Company Secretaries, New Delhi (Firm Registration No. P1988DE002500), as the Secretarial Auditor of the Company for five consecutive financial years from FY 2025-26 to FY 2029-30.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2026, as issued by

Chandrasekaran Associates, is annexed to this Board's Report as **Annexure-III** and forms an integral part thereof. Members are requested to refer to the said Report for details of the secretarial audit conducted and the findings thereof.

(v) Auditor's Report

The Board is pleased to report that neither the Statutory Auditor, S. R. Batliboi & Co. LLP, nor the Secretarial Auditor, Chandrasekaran Associates, have made any qualification, reservation, adverse remark, or disclaimer in their respective Reports for the financial year ended March 31, 2026. Accordingly, no further explanation or comment is required from the Board under Section 134(3)(f) of the Companies Act, 2013.

However, the Board wishes to place on record the following clarification in respect of the observations made by the Statutory Auditors regarding transfer of title deeds: the properties in question were duly transferred from GHCL Limited (Demerged Company) to GHCL Textiles Limited (Resulting Company) pursuant to the approved Scheme of Demerger sanctioned by the National Company Law Tribunal. Mutation of the said properties in the revenue records has been completed for a majority of the land parcels, and the process is actively underway for the remaining parcels. The Board expects the mutation process to be fully completed during the financial year 2026-27.

21: LISTING STATUS

Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited w.e.f. June 12, 2023. We have paid the annual listing fees for the financial years 2025-26 and 2026-27 to both stock exchanges, ensuring our continued listing and trading.

22: WEB ADDRESS FOR ANNUAL RETURN AND OTHER POLICIES / DOCUMENTS

The Company has a fully functional website viz www.ghcltextiles.co.in. All the Policies/documents are available on the website of the Company as per the statutory requirements. In terms of Section 92(3) read with Section 134(3)(a) of the Act and rules thereto, the Annual Return of the Company in Form MGT - 7 for the

financial year ended on March 31, 2026 is available on the Company's website at: <https://ghcltextiles.co.in/investors/annual-report-integrated-report/>

23: CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption, and foreign exchange earnings and outgo, as required under Section 134 (3) (m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, is provided in **Annexure – IV**, which is an integral part of this Report.

24: RELATED PARTY TRANSACTIONS

The Company has not engaged in any significant related party transactions with its Promoters, Directors, Key Managerial Personnel, or other designated persons that could potentially conflict with the Company's interests. Therefore, the disclosure requirement under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 does not apply.

All Related Party Transactions undergo thorough review and approval by the Audit Committee. For repetitive transactions conducted on an arm's length basis in the ordinary course of business, prior omnibus approval is obtained from the Committee. Quarterly, a statement detailing all related party transactions, supported by a certificate from the Chief Financial Officer / person controlling the finance, is presented to both the Committee and the Board.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

25: PARTICULARS OF LOANS/GUARANTEES, OR INVESTMENTS

The details of loans, guarantees, and investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements. These notes offer comprehensive information regarding the nature, terms, and conditions

of such loans, guarantees, and investments. They also include disclosures on any Related Party Transactions, if applicable, and any significant developments or changes in these arrangements.

The purpose of including these details in the notes to the Financial Statements is to ensure transparency and provide stakeholders with a clear understanding of the Company's financial activities and commitments.

Stakeholders are encouraged to refer to the relevant section in the Financial Statements to obtain a comprehensive overview of the loans, guarantees, and investments made by the Company in accordance with the provisions of Section 186 of the Companies Act, 2013.

26: DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the Profit and Loss of the Company for the financial year ended March 31, 2026;
- c. the proper and sufficient care has been taken by them for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts for the financial year ended March 31, 2026 have been prepared by them on a going concern basis;
- e. proper internal financial controls have been followed by the Company and that such internal

financial controls are adequate and were operating effectively; and

- f. proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

27: GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following matters as there is no transaction on these items during the year under review:

- (i) Details relating to deposits covered under Chapter V of the Act.
- (ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- (iv) The Company does not have any Employee Stock Option Scheme. Further, the Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- (v) No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.
- (vi) No fraud has been reported by the Auditors to the Audit Committee or the Board under Section 143(12) of the Act.
- (vii) There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

28: ACKNOWLEDGEMENT

The Board of Directors extends its heartfelt gratitude to the customers, vendors, dealers, investors, business associates, and bankers for their support throughout the year. Their continued trust and collaboration have played a significant role in the Company's success.

The Board also acknowledges and appreciates the dedication and contributions of the employees at all levels. Their commitment, hard work, teamwork, and support have been instrumental in overcoming challenges and achieving our goals. We value their resilience and unwavering commitment to the Company's growth.

Furthermore, the Board expresses sincere thanks to the Government of India, the State Governments, statutory authorities, and other government agencies for their support. We acknowledge their role in creating a conducive business environment and look forward to their continued support in the future.

The collective efforts and support of all stakeholders have been crucial in driving the Company's progress, and the Board acknowledges their invaluable contributions.

For GHCL TEXTILES LIMITED

Sd/

Anurag Dalmia

Chairman

DIN: 00120710

Date: April 30, 2026

Place: Noida



1. Disclosure of Managerial Remuneration

- A. Ratio of remuneration of each Director to the Median remuneration of the employees of the Company for the financial year ended on March 31, 2026 as well as percentage increase in remuneration of each Director.

Name of the Non-Executive Director	Ratio to Median Remuneration	% Change in remuneration over previous year
Mr. Anurag Dalmia	3.85	3.69%
Justice Ravindra Singh (Retd.)	3.99	13.24%
Mrs. Sudha Pillai	1.10	0%
Mr. V.K. Jeyakodi	1.51	0%
Mr. C.R. Rajagopal	1.51	0%
Mr. Ravi Shanker Jalan	3.71	0%
Mr. Raman Chopra	4.26	14.77%
Mr. Neelabh Dalmia	3.85	3.69%

Percentage increase in remuneration of Mr. Marshal Rajeendrakumar Sonavane, CEO is: NA (appointed w.e.f. April 01, 2025)

Percentage increase in remuneration of Mr. Lalit Narayan Dwivedi, Company Secretary is: 9.24%

Percentage increase in remuneration of Mr. M. Parasuraman, CFO is: NA (appointed w.e.f. May 29, 2025)

- B. Percentage increase in median remuneration in the FY 2025-26: -0.04%
- C. Number of Permanent employees on the roll of the Company as on March 31, 2026: 2833

D.

	% Change in remuneration
Average percentile increase in Salary of employees other than managerial	36.49
Average percentile increase in remuneration of managerial personnel	NA*

* The Company does not have Managing Director/Executive Director, Whole Time Director or Manager, hence the requirement of this reporting under Section 197 of the Companies Act, 2013 read with applicable Rules is not applicable

- E. **Affirmations:** It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees are as per the Remuneration Policy of the Company.

2. Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

List of Top Ten Employees and /or other Employees who have been paid ₹ 8.5 Lacs or above per month during the year 2025-26.

S. No.	Employee Name	Age	Designation	Gross Remuneration* -FY 2025-26 (in ₹)	Educational Qualification	Experience (Years)	Date of commencement of Employment	Previous employment and designation
1	Mr. Marshal R Sonavane	39	CEO	1,27,32,715	B.Tech, MBA	15	01-04-2025	GHCL Limited- Chief Strategy Officer
2	Mr. R Balakrishnan	61	CEO	52,08,199	Diploma in Textile Technology	43	22-03-2004	Nahar Exports Ltd- Vice President
3	Mr. N Rajagopal	60	VP - Technical	48,94,418	M.E/M.Tech. / MBA- Spinning, Weaving and Garmenting / Hr and Marketing	42	13-05-2013	Thiagarajar Mills- GM
4	Mr. Arunachalam M	50	Dy. General Manager - Production	35,87,671	D.T.Tech / B. Com.- Textile Technology / Commerce	31	30-05-2003	Madura Coats - Tuticorin-Production Executive
5	Mr. Sathish Kumar R	53	Unit Head Manaparai	35,30,931	D.T.Tech-Textile Technology	31	09-12-2007	Sujitha Textiles- Factory Manager
6	Mr. Konda Siva Reddy	39	AGM- Marketing	26,99,944	Diploma in Textile Technology	20	11-08-2022	NSL Textiles Ltd- Sr. Manager - Marketing
7	Mr. Janaki Sankar P	55	AGM - Plant HR	26,62,534	D.T.Tech-Textile Technology	31	05-12-2001	Karunabika Textiles: SM -Production
8	Mr. Dinesh Kumar S	41	Head – Cotton purchase	22,98,525	M.Sc.-Mathematics	19	01-09-2008	ICICI BANK, Executive Officer
9	Mr. Santosh Kumar	49	Sr. Manager- Marketing	22,26,711	PG Diploma and IT	19	13-08-2022	NSL Textiles Limited – AGM –Yarn Marketing.
10	Mr. Stalin T	52	Unit Head Manaparai	22,24, 941	Diploma-Textile Technology	26	01-06-2005	Loyal Textiles: Production officer

*The details in the above table are on accrual basis for better comparability with the KMP remuneration disclosures included in other sections of this Annual Report. Gross remuneration includes the Commission and / or fixed pay, variable pay, retiral benefits, determined in accordance with the provisions of the Income-tax Act, 1961 as applicable.

The aforementioned employees have / had permanent employment contracts with the Company

None of the Employees mentioned above are holding 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Joining during the year

- Mr. Marshal Rajendrakumar Sonavane as CEO designate w.e.f. April 01, 2025 and appointed as CEO w.e.f. June 01, 2025.
- Mr. M. Parasuraman as CFO w.e.f. May 29, 2025

Separation during the year

- Mr. R Balakrishnan (superannuated) on closing of business hours on May 31, 2025
- Mr. Ramesh D Babu w.e.f. April 30, 2025

For GHCL TEXTILES LIMITED

Sd/
Anurag Dalmia
Chairman
DIN: 00120710

Date: April 30, 2026

Place: Noida

ANNEXURE - II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

CSR Report for the financial year ended March 31, 2026

[Pursuant to Section 135 of the Companies Act, 2013]

- 1 A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**
- GHCL Textiles 's commitment to the development of weaker sections of society is continuing since more than two decades. GHCL Textiles through "GHCL Foundation Trust" has upgraded its CSR activities to cover a larger section of the society and included to provide support to the downtrodden, needy and marginalized citizens and also to create social infrastructure for their sustenance. The CSR Policy is posted on the website of the Company at www.ghcltextiles.co.in

2 Composition of CSR Committee

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i	Mr. Anurag Dalmia	Non-Executive -Chairman	1	1
ii	Mrs. Sudha Pillai	Independent Director	1	1
iii	Justice Ravindra Singh (Retd.)	Independent Director	1	1
iv	Mr. Neelabh Dalmia	Non-Executive Director	1	1

3 Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. <https://ghcltextiles.co.in/investors/csr-policies/>

4 Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. 0

(₹ In cr)

5	(a) Average net profit of the company as per sub-section (5) of section 135.	27.82
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	0.56
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial year.	0.00
	(d) Amount required to be set off for the financial year, if any	0.00
	(e) Total CSR obligation for the financial year (b+c-d).	0.56
6	(a) Amount spent on CSR Projects (both Ongoing Project and other* than Ongoing Project).	0.66
	(b) Amount spent in Administrative Overheads.	0.00
	(c) Amount spent on Impact Assessment, if applicable.	0.00
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	0.66
	(e) CSR amount spent or unspent for the Financial Year:	0.00

Total Amount Spent for the Financial Year (in Cr.)	Amount Unspent(in cr.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in Cr)	Date of Transfer	Name of Fund	Amount	Date of Transfer
0.66	NA	NA	NA	NA	NA

Note: GHCL Textiles Limited had donated a 5 acres parcel of a land to District Collector, Tiruchirappalli for the construction of Mini Sports Stadium at Manaparai, which falls under training to promote rural sports heading of CSR Activities and in line with the requirement of Schedule –VII of the Companies Act, 2013 and is allowed to adjust an amount of ₹ 2.53 crore towards its CSR obligations for the next 3 years. Accordingly, an amount of ₹ 55 lacs and ₹ 66 lacs for FY 2024-25 & FY 2025-26 respectively has been adjusted against the CSR obligations and remaining ₹ 1.32 crore will be adjusted in FY 2026-27.

(f) Excess amount for set off, if any

Sr. No.	Particular	Amount (Cr.)
(i)	Two percent of average net profit of the company as per section 135(5)	0.56
(ii)	Total amount spent for the Financial Year	0.66
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	0
(v)	Amount available for set off in succeeding financial year [(iii)-(iv)]	0.00

7 Details of Unspent CSR amount for the preceding three financial year:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Cr.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Cr.)	Amount spent in the reporting Financial Year (in Cr.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount Remaining to be spent in succeeding Financial Years (in Cr)	Deficiency, if any
					Amount (in Cr.)	Date of Transfer		
1	2024-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	2023-24	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	2022-23	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		0.00	0.00	0.00	0.00	0.00	0.00	0.00

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

If Yes, enter the number of Capital assets created/ acquired No

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

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

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

For GHCL Textiles Limited

Sd/-
Anurag Dalmia
 Chairman of CSR Committee
 DIN: 00120710

ANNEXURE -III

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

To,
The Members,
GHCL Textiles Limited
GHCL House, Opp. Punjabi Hall Navrangpura
Ahmedabad, Gujarat 380009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GHCL Textiles Limited (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 (“**Period under review**”) according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 74 and 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable during the period under review.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable during the period under review.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and; **Not applicable during the period under review.**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable during the period under review.**

(vi) The other laws as informed and certified by the management of the Company, which are specifically applicable to the Company based on their Sector/ Industry are:

- (a) Legal Metrology Act, 2009 and rules and regulations thereunder and;
- (b) Food Safety and Standards Act, 2006, rules and regulations thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

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

We further report that;

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in case where meetings were convened at a shorter notice. The Company has complied with the provisions of Act for convening meeting at the shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period no major event has been happened which is deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Chandrasekaran Associates
Company Secretaries**

FRN: P1988DE002500

Peer Review Certificate No: 6689/2025

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302H000220792

Date: April 30, 2026

Place: Delhi

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

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
GHCL Textiles Limited
GHCL House, Opp. Punjabi Hall, Navrangpura
Ahmedabad, Gujarat, India, 380009

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

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No: 6689/2025

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302H000220792

Date: April 30, 2026

Place: Delhi

ANNEXURE-IV

A. CONSERVATION OF ENERGY

a) Energy Conservation Measure Taken

- 1 Installation and commissioning of Water Management System (40 Lakh litres) completed in Meenakshi section of Parawai Unit in FY 2025-26, which enhanced our total water conservation measures upto 240 Lakhs Liters per year.
- 2 Implementation of HF Plant renovation, optimization of waste collection equipment, High energy efficient pump installation, etc. which resulted in saving of 4000 units per day in Madurai.
- 3 Installation and commissioning of 2.9 MW Rooftop Solar in Meenakshi section of Parawai Unit at Madurai.
- 4 Energy optimization of Waste collection, HF Plant and Compressors resulted in a saving of 1400 Units per day at Manaparai.
- 5 Energy Audit recommendation by IIT Madras successfully implemented both in Madurai and Manaparai Plants to the tune of 80%.

b) Additional Investment & proposals, if any, being implemented for reduction of consumption of energy

- 1 Energy Audit at Manaparai Plant by Poweron Projects under progress and implementation will start from June 2026.

B. POWER & FUEL CONSUMED

		FY 2025-26	FY 2024-25
1	Electricity		
	(i) Purchased Units (crores kwh)	7.15	6.64
	Total amount (₹ in crores)	69.71	60.99
	Rate per Unit (₹)	9.75	9.19
	(ii) Own Generation		
	(a) Through DG		
	Units (crores kwh)	0.003	0.002
	Units per ltr of Diesel Oil	3.32	3.21
	Cost per Unit (₹)	29.56	29.60
	(b) Through Windmill		
	Units (crores kwh)	4.76	4.25
	Total amount (₹ crores)	16.61	15.68
	Rate per Unit (₹)	3.49	3.69
	(c) Through Solar		
	Units (crores kwh)	3.94	4.10
	Total amount (₹ in crores)	14.69	11.58
	Rate per Unit (₹)	3.73	2.82
2	Consumption per Unit of Production		
	Yarn Production (MT)	43,661	38,131
	Electricity (kwh/MT)	1.99	2.19

C. TECHNOLOGY ABSORPTION

1 Research & Development

NA

2 Future Action Plan

Energy Audit plan for Madurai location to identify the potential energy savings by engaging outside expert agency. Potential Identified scope will be implemented for the overall benefit.

3 Technology -Absorption ,Adoption and Innovation

Roving (Bobbin) Transport System, Cone Transport System, Auto inspection system, Automatic Palletizer, Turbo Cooling, Auto Yarn Conditioning, Depalletizer and Auto Packing System implemented in Meenakshi section of the Parawai Unit. Complete automation system for the Finished Goods is state of art technology and first in kind adopted in GHCL Textiles Limited.

4 Information Regarding Technology imported during last three year

- Single yarn Tensile Testing (Rkm) Uster Tenso Rapid 4 equipment imported from Switzerland.
- Uster Quantum 5 Classimat Tester imported from Switzerland.

D. FOREIGN EXCHANGE EARNING AND OUTGO

₹in Cr

	FY 2025-26	FY 2024-25
Earnings	130.88	197.11
Outgo (Includes CIF value of imports)	111.62	142.94

Management Discussion and Analysis

DISCLAIMER

Readers are cautioned that this Management Discussion and Analysis contain forward-looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate”, “believe”, “estimate”, “intend”, “will”, and “expected” and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward-looking statements. The important factors that would make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic and overseas markets, raw material prices, changes in the Governmental regulations, labour negotiations, tax laws and other statutes, economic development within India and the countries within which the Company conducts business and incidental factors. The Company undertakes no obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events. This report is prepared on the basis of public information available on website / report / articles etc. of various institutions. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

MANAGEMENT DISCUSSION AND ANALYSIS

The management of GHCL Textiles Limited has reviewed the Company's performance and key business developments for the financial year ended March 31, 2026, and shared its perspective on the road ahead. The outlook reflects the current economic environment and business landscape, though future developments, both domestic and global, across economic, social, and political fronts may influence actual outcomes.

REVIEW OF ECONOMY

Global Economic Overview

The global economy demonstrated measured resilience in 2025, navigating a challenging landscape defined by geopolitical tensions, elevated interest rates, and persistent supply-side pressures. According to the IMF World Economic Outlook, April 2026, world GDP grew by 3.4 percent in 2025 and is projected to expand by 3.1 percent and 3.2 percent in 2026 and 2027 respectively. These projections, which assume a limited-scale conflict in the Middle East, reflect a broadly stable growth trajectory as the global economy transitions beyond the initial shocks of high inflation.

In the advanced economies, central banks have begun pivoting toward monetary easing as inflationary pressures recede. U.S. inflation, however, remains slightly above target, sustaining complexity in global capital flows and currency markets. Energy costs and supply chain stability continue to command boardroom attention worldwide. Sustained hostilities in the Middle East have periodically amplified geopolitical risk premiums, pushing energy prices higher and straining traditional trade routes. Against this backdrop, the global industrial sector is embracing what we see as a defining strategic shift of "resilience through diversification", characterised by the regionalisation of supply chains and a deliberate effort to reduce exposure to volatile logistics costs. For a manufacturer with our international footprint, this recalibration of global trade presents both risk managing and opportunity to capture.

Indian Economy Overview:

India stands apart. In a world of tepid recoveries and uncertain outlooks, India continues to affirm its position as the fastest-growing major economy globally. As per the First Advance Estimates released by the National Statistics Office for FY 2025-26, India's Real GDP is estimated to reach ₹201.90 lakh crore, reflecting robust growth of 7.4 percent. This momentum is underpinned by a sustained infrastructure push, with government capital expenditure driving a meaningful rise in gross

fixed capital formation and reinforcing the productive capacity of the broader economy.

The "Make in India" initiative has evolved from a policy aspiration into a powerful structural catalyst. As per the Economic Survey 2025-26, Manufacturing Gross Value Addition (GVA) grew by 9.13 percent in Q2 FY 2025-26, buoyed by targeted Production Linked Incentive (PLI) schemes and a strategic shift toward medium and high-technology manufacturing. Complementing this, India's retail inflation averaged a benign 1.7 to 2.6 percent during the fiscal year, and foreign exchange reserves reached a historic high of USD 701.4 billion, providing macroeconomic stability and a robust buffer against external shocks.

These macroeconomic dynamics directly inform our operational strategy:

- **Export Demand:** While global growth remains moderate, the accelerating "China Plus One" diversification strategy, combined with socio-political disruptions in competing nations such as Bangladesh, continues to redirect Readymade Garment orders toward India, strengthening the demand outlook for Indian yarn and fabric manufacturers.
- **Input Cost Management:** Volatility in global energy prices reinforces our resolve to expand our renewable energy footprint. We aim to source over 70 percent of our total energy requirements from green sources, materially de-risking our EBITDA margins against fuel price fluctuations.
- **Domestic Resilience:** Rising discretionary incomes and rapid urbanisation provide a stable domestic floor for yarn and fabric demand, a meaningful buffer even when international markets encounter temporary headwinds.

TEXTILE INDUSTRY

The global textile market, valued at approximately USD 988 billion in 2024, continues its long-term growth trajectory, propelled by e-commerce expansion and the structural dynamics of fast fashion. FY 2025-26, however, introduced tangible headwinds that tested the sector's agility. Traditional trade routes faced disruption due to

the US-Iran conflict, resulting in shipment delays and a sharp escalation in logistics and shipping costs, all of which exerted pressures that resounded across the global supply chain.

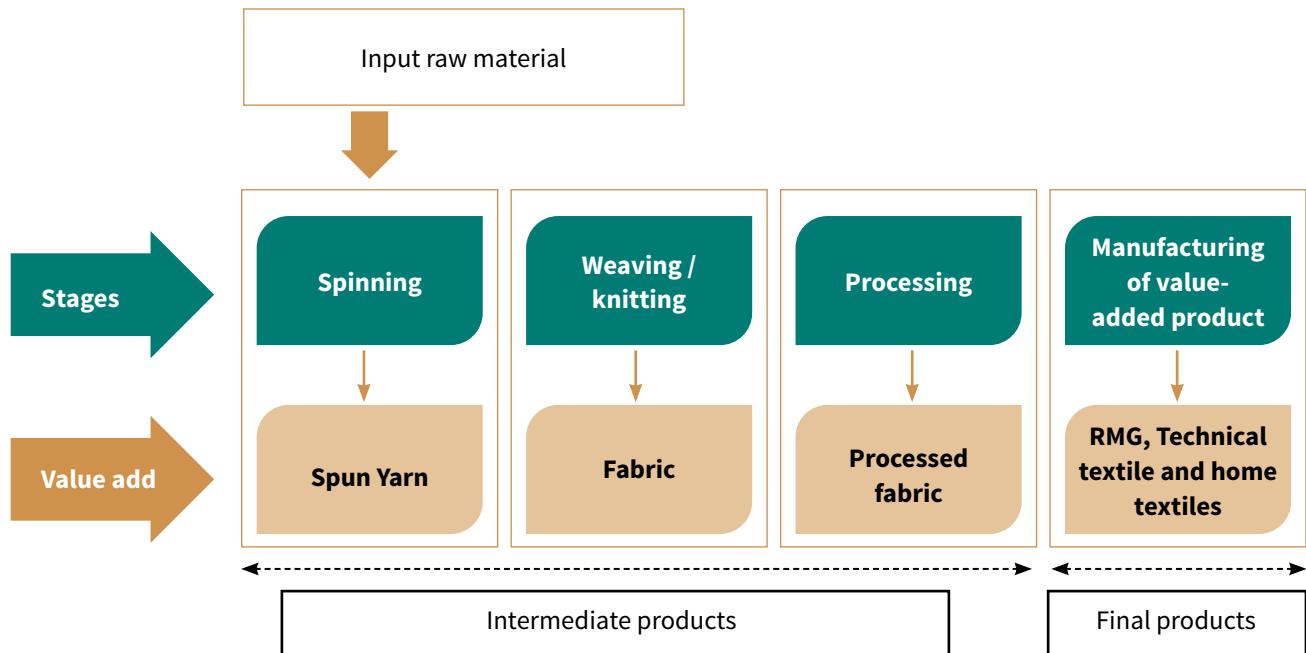
Yet, within these headwinds lie compelling tailwinds for India. Socio-political instability in competing garment-manufacturing nations, particularly Bangladesh, has meaningfully accelerated the shift of Readymade Garment orders toward Indian suppliers. Further, the progressive execution of Free Trade Agreements (FTAs) with the UK, the EU, and other key markets is expected to deliver a sustained demand tailwind for Indian exporters, improving market access and competitive positioning on a structural basis.

India's inherent advantages in textiles are well established. As the world's second largest producer of cotton, India commands a significant raw material advantage. The textile sector is also among the most consequential for the Indian economy, second only to agriculture as an employer, providing direct employment to approximately 45 million people and supporting an additional 60 million through allied activities. This scale underscores the sector's strategic importance to the national growth.

The Indian textile industry is distinguished by its remarkable diversity, spanning from handwoven and handspun traditions at one end to sophisticated, technology-driven mills at the other. The presence of integrated players across the full value chain, from raw material production through yarn, fabric, and garments places India in a uniquely competitive position on the global stage. Within this chain, yarn manufacturing converts raw fibres into yarn through a defined sequence of processes, beginning with spinning, followed by weaving and knitting. Yarns may be derived from natural fibres such as cotton and wool, or from man-made fibres (MMF) including polyester, viscose, nylon, acrylic, and polypropylene, a segment that is growing rapidly in relevance and value.

On the cotton front, domestic arrivals reached 281 lakh bales by March 2026, up from 273 lakh bales in the prior year. Despite this increase in supply, domestic prices surged from ₹55,000 per candy in December 2025 to

Indian textile value chain



₹62,000 per candy by March 2026, mirroring trends in international NY futures, a dynamic that reinforces the importance of disciplined raw material procurement and inventory management.

Looking ahead, the Indian textile and apparel market is well positioned for sustained growth. Rising discretionary incomes, rapid urbanisation, and the adoption of fast-fashion consumption patterns will drive domestic demand. Simultaneously, structural forces including increased online retailing, an accelerating shift from cotton to man-made fibre, strong growth in technical textiles, and the ongoing migration of global textile production outside of China will collectively bolster India's export opportunity. We believe GHCL Textiles is strategically positioned to capture a disproportionate share of this expanding market.

BUSINESS OPERATIONS OF THE COMPANY

GHCL Textiles Limited was established through the demerger of the spinning business from GHCL Limited, effective April 1, 2023, and has been listed on both NSE and BSE since June 12, 2023. This demerger was purposefully structured to simplify the corporate

architecture, create an independent growth platform, and maximise long-term shareholder value.

Today, GHCL Textiles stands as one of India's prominent yarn manufacturers and exporters. Our manufacturing operations are located at Paravai, Madurai and Manaparai, Tiruchirapalli, in the state of Tamil Nadu. Our spinning facilities are modern and well-capitalised, comprising 2.25 lakh ring spindles, 3,320 rotors, 5,760 TFO spindles, 5 Airjet Spinning machines, and 15 knitting machines. Underpinning our operations is a significant renewable energy portfolio of 65 MW of wind and solar capacity in Tamil Nadu. This portfolio of green assets deliver a tangible, structural cost advantage while advancing our sustainability commitments.

Operational excellence is foundational to our identity. Our well-managed production processes are designed to maximise productivity and minimise waste, while sustaining a reliable and responsive raw material supply chain. We maintain rigorous standards for worker safety and workplace hygiene, fostering a culture that is both productive and people centred. Our commitment to green energy is not merely aspirational. We have made substantial progress toward our goal of sourcing 75

percent of our total energy requirements from renewable means, and this momentum continues.

Our product portfolio reflects deliberate diversification into value-added segments. We manufacture speciality yarns including GIZA, SUPIMA, Australian, CmiA, Tencel, Viscose, and rPET Yarn, as well as woven and knitted fabric for both domestic and international markets. Over the years, our product basket has expanded meaningfully, encompassing tailor-made specialty yarns, forward-integrated fabric products in knitted and greige formats, and penetration into new application segments and geographies. This diversification is both a competitive differentiator and a margin enabler.

Quality and customer orientation are at the core of how we operate. We exercise rigorous quality control at every stage of production, and we invest in building deep, strategic partnerships with a select base of customers across domestic and international markets. This approach has allowed us to build enduring relationships, earn market trust, and maintain a competitive edge that goes beyond price alone.

The results of our diversification strategy are visible in our numbers. Export contribution has grown to 10.2 percent of revenue in FY 2026, up from 5.5 percent in FY 2019. The share of fabric in total revenue has expanded to 13.7 percent in FY 2026, from nil in FY 2019, which demonstrates a meaningful structural shift reflecting our deliberate move up the value chain.

Our commitment to growth is backed by capital. We have committed to invest over ₹1,000 crores in capacity and capability, of which ₹600 crores have already been deployed. During the year, we successfully commissioned 25,000 new spindles, 15 knitting machines, and 3 MW of additional green energy capacity. The commissioning of the knitting machines represents a strategically important step towards forward-integrating our operations into value-added fabric products and positioning us to capture higher realisations as this segment scales.

OPPORTUNITY & CONCERN

We remain firmly committed to a strategy of sustainable, value-accretive growth. Our capital investment in

knitting machine capacity has forward-integrated our operations into higher-value fabric products and positions us well for medium-term earnings growth. Going forward, we intend to expand our product basket, grow our value-added segment, realign our customer base toward more strategic relationships, deepen our penetration of the fabric market, and continue driving operational excellence across our manufacturing facilities. Sustainability remains a parallel priority. We will continue deploying renewable energy assets, targeting a minimum of 75 to 80 percent of our total energy requirements from green sources.

We also acknowledge, with transparency, the market challenges that create uncertainty in our operating environment. Global economic uncertainty, evolving tariff conditions, changing weather patterns adversely affecting cotton crop yields, cotton price volatility, and constraints on the availability of high-quality cotton, all of these factors introduce a degree of unpredictability that we monitor closely and manage proactively.

To navigate these challenges and sustain long-term business resilience, we have embedded a set of core operating principles into our management framework. These principles of disciplined cash conversion, deep in-house expertise in cotton market dynamics, supply chain resilience, investment in value-added processing, a culture of product and process innovation, and an unwavering focus on customer satisfaction, are the differentiators that set GHCL Textiles apart. They are not merely operational practices; they are the competitive foundations upon which we intend to grow, adapt, and prosper in the years ahead.

COMPANY PERFORMANCE

- Revenue for the financial year ended March 31, 2026 is ₹ 1,318.60 crores as against ₹ 1161.16 crores for the previous financial year ended on March 31, 2025.
- Profit before financial expenses and depreciation for the financial year March 31, 2026 is ₹ 156.11 crores as compared to ₹ 116.68 crores for the previous financial year ended on March 31, 2025.
- PBT (Profit before tax) for the financial year ended March 31, 2026 is ₹ 92.96 crores as compared to ₹

63.29 crores for the previous financial year ended on March 31, 2025.

DETAIL OF SIGNIFICANT CHANGE IN THE KEY FINANCIAL RATIOS AND RETURNS ON NET WORTH

As per the Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations therefor have been provided in note no. 41(9) (refer page no. 162-163 of Annual Report).

INTERNAL CONTROL & RISK MANAGEMENT

GHCL Textiles Limited continues to operate with a strong and well-structured internal control system that supports all areas of its business. This framework remains consistent with the previous year, ensuring operational efficiency, safeguarding of assets, accurate and transparent financial reporting, and compliance with applicable laws and regulations.

The Company conducts its business with integrity, high standards of ethical behavior and in compliance with all applicable laws and regulations that govern its business. To maintain the integrity of our processes, the Company has established detailed management information systems, robust corporate policies, and clearly defined roles and responsibilities across departments. Qualified and experienced personnel oversee our internal processes, helping to prevent any unauthorized use of assets or misstatement of transactions.

To further strengthen oversight, Company engages reputed independent internal audit firms to conduct regular audits across business locations. The Audit Committee of the Board closely monitors these reports, reviews statutory compliances, and ensures timely corrective actions are taken wherever required. The Committee meets periodically to review findings from internal auditors and discuss action taken reports with the management.

The Risk Management Committee is embedded into Company's culture and day-to-day operations. The Risk Committee, constituted as per Regulation 21 of the SEBI Listing Regulations, oversees our enterprise risk framework. Internal Audit and Risk Management functions work in tandem to identify, assess, and manage key risks— both financial and non-financial. Risks are monitored regularly and control measures are tailored based on their severity and likelihood.

Further details on key business risks and mitigation strategies are provided in the Risk Management Committee section on page 69-70 of this report.

HUMAN CAPITAL MANAGEMENT

In GHCL Textiles we are really proud of our "HUMAN RESOURCES". We believe that our employees make a key difference to our business success. Employees are one of our five key stakeholders and needless to mention that managing our human capital has been our key strength and pride. It is our firm belief that nurturing and strengthening the human resource capital is of utmost importance to run the organization effectively and smoothly. Therefore, the HR function takes pride in managing the human capital both with warmth and care as a hallmark of a caring organization. The Human Capital is managed in a structured manner with key focus areas being Talent Management, Organizational capability Development, Employee Engagement and harmonious Industrial Relations. This contributes to our unique corporate identity in our journey towards high performance Coaching & Mentoring culture. Good human resource management is vital for the success of any business, therefore GHCL Textiles regularly reviews & revisits its various HR policies and practices to ensure that we comply with the values of the Company and can be benchmarked against the leaders in the industry. Our HR Mission emphasizes on creating a value driven, high performance learning organization in an engaged and digitized environment so that we are one among the employer of choice. As on March 31, 2026, number of people employed by GHCL Textiles Limited are 2833 (3050 as of March 31, 2025) including all categories and women employees consists of around 77% of total employees.

Report on Corporate Governance for the Financial Year Ended on March 31, 2026

(As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

1. Company's Philosophy on Code of Corporate Governance

The Company's corporate governance philosophy is built on integrity, transparency, accountability, and ethical business conduct, forming the foundation of our core values. Rooted in a legacy of craftsmanship and quality, we are committed to delivering superior textile products through innovation, sustainable practices, and responsible sourcing. Guided by our enduring purpose "Weaving Quality with Responsibility". We ensure that every strategic and operational decision reflects our commitment to excellence and stakeholder value. We continuously uphold the highest standards of governance and regulatory compliance to create long-term, sustainable growth.

Your Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Governance for your Company means being true to its own belief and constantly strengthening and increasing stakeholders' values and return on investment by adopting principles of transparency, accountability and adherence of committed value creation principles. We are firm in the belief that Corporate Governance means a commitment to value-based growth and delivering on that commitment within the predefined time frame without compromising with ethical standards, set paradigms, transparency in transactions and fixing of accountability.

In order to strengthen corporate governance practices, Company has adopted a code of conduct for Employees and Other Stakeholders, Policy on Board Diversity, Policy for determination of materiality, Policy on succession plan for appointment to the Board and Senior management, Whistle Blower Policy, Risk Management Policy, Policy on preservation of documents and Archival Policy, Policy for determining Material Subsidiary, Dividend Distribution Policy, Policy on Materiality and dealing with Related Party Transactions, Nomination & Remuneration Policy and Supplier's Code of Conduct etc. of the Company. These policies and code of conduct are available on the website of the Company.

We also adhere to strict disclosure norms to prevent any misuse of unpublished price-sensitive information. Our code of conduct under the SEBI (Prohibition of Insider Trading) Regulations, 2015, ensures compliance and protects market integrity. The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

2. Board of Directors

The Company firmly believes that sound and effective governance serves as a strong competitive advantage and is essential for sustainable economic and social development. The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board remains vigilant in addressing potential conflicts of interest and continuously emphasizes transparency, accountability, probity, equity, and

responsibility across all levels of the organisation. Further, the Board also discharges its responsibilities / duties as mentioned under the provisions of Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred as Listing Regulations) and other applicable laws.

Role and responsibilities of Board of Directors is also extended towards strengthening of CSR activities and sustainability of the business. In addition to the above, Board is also responsible for the following:

- (i) To play an oversight role with an objective to ensure that companies have systems in place to effectively manage key risks, including the potential for reputational harm and legal liability associated with adverse social and environmental impacts.
- (ii) To establish and reinforce an overarching set of expectations with regard to the short- and long-term management of social and environmental risks.
- (iii) To formulate strategies on CSR and develop a framework for its implementation.
- (iv) To ensure that the executive management has complied with the applicable statutory compliances related to CSR and other applicable laws.

2.1 Composition:

The Composition of the Board as on March 31, 2026 is given herein below:

COMPOSITION OF BOARD OF DIRECTORS AS ON MARCH 31, 2026			
Category	Name of the Directors	No. of Directors	% of total number of Directors
Promoter Directors	Mr. Anurag Dalmia	2	25%
	Mr. Neelabh Dalmia		
Independent Directors	Mrs. Sudha Pillai	4	50%
	Justice Ravindra Singh (Retd.)		
	Mr. V. K. Jeyakodi		
	Mr. C. R. Rajagopal		
Non-Executive Directors	Mr. Ravi Shanker Jalan	2	25%
	Mr. Raman Chopra		
TOTAL NO. OF DIRECTORS		8	100%

Note: Justice Ravindra Singh (Retd.) completed his first term as Independent Director of the Company on March 31, 2026 and ceased to be a Director with effect from April 01, 2026. The Board places on record its deep appreciation for his valuable contribution to the Company's governance during his tenure. Pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Alok Raj, IRS (Retd.) (DIN: 10390709) was appointed as an Independent Director of the Company for a term of five consecutive years with effect from April 01, 2026, following approval by shareholders through postal ballot on March 12, 2026.

As on March 31, 2026, the Board of the Company is having an optimum combination of eight Non - Executive Directors consist of four Independent Directors including one-woman independent Director. Executive functions of the Company are being discharged by the Key Managerial Personnel (KMP) of the Company, who are non-board members and they regularly attend the Board / Committee meetings to apprise the Board members about the

affairs of the Company. Mr. Anurag Dalmia, is Non-Executive Chairman of the Board and Promoter of the Company and having four Independent Directors on the Board, Company fulfil the requirement that at least half of the Board shall consist of Independent Directors.

All the Non-Executive Directors including Independent Directors play a critical role in imparting balance to the Board processes by bringing independent judgement in issues of strategy, performance, resource allocation, compliance of code of conduct and standards of the Company's conduct etc.

All the Independent Directors are considered by the Board to be independent in character and judgment of the management of the Company and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment.

As on March 31, 2026, Mr. Neelabh Dalmia and Mr. Anurag Dalmia are related to each other as Mr. Neelabh Dalmia is son of Mr. Anurag Dalmia. Except this none of the Director of the Company is related to any other Director on the Board.

The Board of Directors meets regularly to review strategic, operational and financial matters and has a formal schedule of matters reserved for its decision. It approves the interim and preliminary financial statements, budget, the annual financial plan, significant contracts and capital investment along with strategic decisions like Restructuring of Business, Debt and Human Resources etc. Wherever appropriate, the Board delegates its authority to Committees of Directors like Banking & Operations Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Audit Committee, CSR Committee and Risk Management Committee. Information is provided to the Board in advance of every meeting and the Chairman ensures that all Directors are properly briefed on the matters being discussed. The Board reviews compliance reports of applicable laws in the Board meetings and also deliberates the compliance of code of conduct for Board Members and Senior Management.

All the recommendations of Audit Committee and other Committees made to the Board of Directors were duly accepted by the Board of Directors. There has been no such incidence where the Board has not accepted the recommendation of any Committees of the Board during the financial year 2025-26.

With an objective to ensure maximum participation of Directors in Board Meetings, the dates of Board Meetings are fixed well in advance after consultation with individual Directors and due consideration of their convenience. In compliance with Secretarial Standard-1 (SS-1) issued by the Institute of Company Secretaries of India, the agenda and detailed notes on agenda are circulated to all Directors at least seven days before the scheduled date of each meeting. Wherever it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda, ensuring that Directors have adequate opportunity to seek further information and clarifications on agenda items before participating in deliberations.

In special and exceptional circumstances, where it becomes necessary to transact urgent business that was not included in the agenda circulated in advance, additional or supplementary items may be taken up for consideration with the permission of the Chairman of the meeting and with the consent of a majority of the Directors present at the meeting, in accordance with SS-1. The Company ensures that such instances are limited to genuinely urgent matters and that adequate information is provided to Directors at the meeting itself to enable informed decision-making.

During the financial year ended on March 31, 2026, the Board of Directors met four times -- on May 05, 2025, July 29, 2025, November 01, 2025, and January 29, 2026. The gap between any two consecutive meetings did not exceed 120 days, ensuring compliance with the requirements of Regulation 17(2) of the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and Section 173(1) of the Companies Act, 2013.

The attendance of Directors at the Board Meeting held during the financial year ended March 31, 2026 is given herein below:

S. No.	NAME	DATE OF BOARD MEETING & ATTENDANCE				AGM ATTENDANCE (July 21, 2025)
		May 05, 2025	July 29, 2025,	November 01, 2025	January 29, 2026	
1	Mr. Anurag Dalmia	Yes	Yes	Yes	Yes	Yes
2	Justice Ravindra Singh (Retd.)	Yes	Yes	Yes	Yes	Yes
3	Mrs. Sudha Pillai	Yes	Yes	Yes	Yes	Yes
4	Mr. V. K. Jeyakodi	Yes	Yes	Yes	Yes	Yes
5	Mr. C. R. Rajagopal	Yes	Yes	Yes	Yes	Yes
6	Mr. Ravi Shanker Jalan	Yes	Yes	Yes	Yes	Yes
7	Mr. Raman Chopra	Yes	Yes	Yes	Yes	Yes
8	Mr. Neelabh Dalmia	Yes	Yes	Yes	Yes	Yes

Note:

1. Mr. Raman Chopra, Director retiring by rotation, is eligible for re-appointment and has offered himself for re-appointment. All the necessary information required under Regulation 36 (3) of the Listing Regulations has been provided under the notice of the Annual General Meeting (AGM).
2. Justice Ravindra Singh (Retd.) completed his tenure as Independent Director on March 31, 2026. Mr. Alok Raj (DIN: 10390709) was appointed as Independent Director with effect from April 01, 2026 and accordingly does not figure in the attendance record for FY 2025-26. For full details of this change in Board composition, refer to Section 2.1 of this Report.

The Directors of GHCL Textiles Limited meticulously adhere to regulatory mandates concerning their Directorship positions and Committee memberships in other public limited and equity-listed companies. None of the Directors, hold Directorship positions in more than 10 public limited companies or serve as Director in more than 7 equity-listed companies. For Independent Directors, the limit is set at 7 equity-listed companies, or 3 equity-listed companies if they serve as Whole-time Director or Managing Director in any Company.

Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 (1) of the Listing Regulations across all the listed Companies in which he/she is a Director. The necessary disclosure regarding Directorship and Committee positions have been made by the Directors who are on the Board of the Company as on March 31, 2026 and the same is reproduced herein below:

Sl. No.	Name of the Director	Director Identification Number (DIN)	No. of Directorship in other Indian Public Limited Companies [^]	No. of committee positions held as Chairman in other Public Companies [#]	No. of Committee positions held as Member in other Public Companies ^{**}	No. of Equity Shares of GHCL Textiles Limited held by the Director	Name of other Public Companies and Category of Directorship
1	Mr. Anurag Dalmia	00120710	1	-	-	145225 in Individual Account and 605124 in HUF Account	GHCL Limited – Non-Executive Director

Sl. No.	Name of the Director	Director Identification Number (DIN)	No. of Directorship in other Indian Public Limited Companies [^]	No. of committee positions held as Chairman in other Public Companies [#]	No. of Committee positions held as Member in other Public Companies ^{**}	No. of Equity Shares of GHCL Textiles Limited held by the Director	Name of other Public Companies and Category of Directorship
2	Mrs. Sudha Pillai	02263950	3	1	-	-	1. Jubilant Ingrevia Limited- Independent Director 2. Indian Energy Exchange Limited- Independent Director. 3. Ganga Acrowool Limited - Additional Director
3	Justice Ravindra Singh	08344852	2	2	-	-	1. GHCL Limited – Independent Director 2. Inductus Limited - Director
4	Mr. V. K. Jeyakodi	03636599	1	-	1	-	Meenakshi (India) Limited – Independent Director
5	Mr. C.R. Rajagopal	08853688	3	4	-	-	1. S.P. Apparels Ltd - Independent Director 2. Adithya Automotive Applications Limited - Director 3. Kalyan Jewellers Limited – Independent Director
6	Mr. Ravi Shanker Jalan	00121260	1	-	1	6,51,830 in individual account and 100 in HUF account	GHCL Limited – Managing Director
7	Mr. Raman Chopra	00954190	1	-	1	1,75,000	GHCL Limited- CFO & Executive Director (Finance)
8	Mr. Neelabh Dalmia	00121760	1	-	1	1,72,751	GHCL Limited- Executive Director (Growth & Diversification Projects)

Note:

- The above table reflects the composition of the Board and the Directorship and Committee positions of Directors as on March 31, 2026, being the last day of the financial year under review.
- Justice Ravindra Singh (Retd.) completed his first term as Independent Director of the Company on March 31, 2026 and ceased to hold Directorship with effect from April 01, 2026. His details are included in the above table as he was a Director of the Company as on March 31, 2026. The Board places on record its deep appreciation for his invaluable contribution to the Company's governance during his tenure.
- Mr. Alok Raj (DIN: 10390709) was appointed as an Independent Director of the Company for a term of five consecutive years with effect from April 01, 2026, following approval by the shareholders through postal ballot on March 12, 2026. Since his appointment is effective post the financial year end, his details do not form part of the above table. His profile and Committee positions are provided separately in Section 2.8 of this Report.

Regulatory Compliance Clarification:

- [^]The restrictions on the number of Directorships and Committee positions, as outlined in Regulation 26 of the SEBI Listing Regulations, do not apply to private limited companies, foreign companies, high-value debt-listed entities, or companies registered under Section 8 of the Companies Act, 2013. The disclosures provided are in full compliance with Regulation 26 of the Listing Regulations.
- [#] The names of the listed companies, along with the categories of Directorship, in which any of the Directors mentioned above hold positions as Directors, are provided under the respective Director's profile.
- ^{**}In order to determine the limit of Committees, only the chairmanship/membership of the Audit Committee and the Stakeholders' Relationship Committee have been taken into consideration.

During the financial year ended March 31, 2026, the Company has not entered into any material transactions with its Non-Executive Directors. The Company has also received declaration from Independent Directors confirming their independence as well as confirmation that “he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective of independent judgement and without any external influence”. Accordingly, requirement of Section 149(6) of the Companies Act, 2013 read with Regulation 16(1) (b) & 25 (8) of the Listing Regulations are duly complied with.

The Company has not issued any convertible instruments and none of the Director is holding any convertible instrument of the Company as on March 31, 2026.

The Audit Committee has thoroughly reviewed the Company’s financial statements, ensuring accuracy and adherence to applicable accounting and regulatory standards.

Your Company does not have any subsidiary in India or outside India and accordingly the statutory requirement to appoint an Independent Director on the Board of Indian subsidiaries is not applicable.

2.2 Independent Directors’ Meeting

In compliance with Section 149(7) and (8) of the Companies Act, 2013 read with Schedule IV (Code for Independent Directors) and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of GHCL Textiles Limited hold exclusive meetings without the presence of Non-Independent Directors or members of the Management, except for the Company Secretary who attends to facilitate the proceedings and ensure proper documentation.

These meetings provide a structured and independent forum for the Independent Directors to engage in candid discussions on key governance matters and to undertake an objective assessment of the Board’s overall effectiveness. In accordance with the statutory framework, the primary agenda of Independent Directors’ meetings encompasses the following:

- (a) Reviewing and evaluating the performance of Non-Independent Directors and the Board as a whole, including its Committees, based on structured feedback gathered through the Board evaluation process;
- (b) Assessing the performance and effectiveness of the Chairman of the Board, taking into account the views of both Executive and Non-Executive Directors, with particular reference to his leadership, coordination, and ability to ensure that all Directors are heard and their views appropriately considered; and
- (c) Reviewing the quality, quantity, adequacy, and timeliness of the flow of information between the Management and the Board, to assess whether Directors receive sufficient information to discharge their responsibilities effectively and independently.

A separate meeting of Independent Directors was held on April 10, 2026, to evaluate the performance of the Non-Independent Directors, Chairman of the Board, the Board as a whole and its Committees and for reference, the corresponding meeting of the Independent Directors was held on April 15, 2025 in the financial year ended on March 31, 2026. All Independent Directors of the Company were present at the meeting.

The Board notes that under the non-mandatory requirement introduced vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, listed companies are expected to hold at least two meetings of Independent Directors in a financial year. For the financial year 2025-26, the Company has complied with the mandatory requirement of holding at least one meeting as prescribed under Regulation 25(3) of the Listing Regulations. The Company is committed to progressively aligning with the enhanced expectation of two meetings per financial year and shall endeavour to comply with this non-mandatory requirement with effect

from the financial year 2026-27. Necessary scheduling arrangements shall be made in advance to ensure that both meetings are held within the financial year with adequate agenda and notice.

2.3 **Directors' Appointment and Re-appointment:**

Mr. Raman Chopra, Director liable to retire by rotation, has expressed his willingness to seek re-appointment at the upcoming Annual General Meeting (AGM) of the Company. His re-appointment is subject to shareholder approval.

All relevant details regarding Directors seeking appointment or re-appointment, as required under Regulation 36(3) of the SEBI Listing Regulations, the Companies Act, 2013, and applicable Secretarial Standards (SS-2), are comprehensively provided in the AGM Notice.

2.4 **Familiarisation Programme for Independent Directors**

The Company follows a structured approach to ensure that all newly appointed non-executive and independent Directors undergo a comprehensive familiarization program. This program is designed to provide a deep understanding of the Company's core values, vision, mission, business philosophy, and governance framework. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory environment applicable to it.

At the time of appointment of a Director (including Independent Director), a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained the compliance required from him / her under the Companies Act, 2013, Listing Regulations and other applicable laws. The management of the Company also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. On the request of the individual Director, site visits to various plant locations will be organized by the Company for the Directors to enable them to understand the operations of the Company.

Throughout the financial year, all Board and Committee meetings were conducted in a hybrid format, allowing for both physical and virtual participation. Directors and Committee members ensured full attendance, demonstrating their dedication to active engagement in governance matters. Further, on an ongoing basis as a part of Agenda of Board & Committee meetings, presentation is regularly made on various matters inter alia covering the Company's business and operations, industry and regulatory updates etc.

The details of familiarisation programmes for Independent Directors are available on the Company's website: <https://ghcltextiles.co.in/investors/familiarization-programme-for-independent-Directors/>

2.5 **Key Skills, Expertise, and Competencies of the Board of Directors**

The Board of our Company is structured in a manner that promotes a high degree of diversity in terms of age, education/qualifications, professional background, sector expertise, special skills, and geography. This diversity is considered crucial for the effective functioning of the Company and to bring a wide range of perspectives to the decision-making process.

The Board of Directors has identified the following core skills, expertise, and competencies that are required in the context of the Company's businesses and sectors:

1. **Leadership, Strategic Thinking, Technical Skills of the Industry, and General Management:**
 - **Leadership:** Inspiring and guiding others towards common goals.
 - **Strategic Thinking:** Analysing complex situations and developing long-term plans.
 - **Technical Skills of the Industry:** knowledge of Textiles processes, manufacturing operations, quality control.

- **General Management:** Proficiency in financial management, operations, and strategic planning.
2. Public Policy and Public Advocacy:
 - **Public Policy:** Understanding and influencing government actions to address social issues.
 - **Policy Advocacy:** Actively supporting specific policies to advance organizational objectives.
 3. Governance, Environment, Health & Safety (EHS), Sustainability, Corporate Social Responsibility (CSR), and Law:
 - **Governance:** Establishing processes for decision-making and accountability.
 - **EHS:** Implementing measures to protect the environment and ensure safety.
 - **Sustainability:** Balancing social, environmental, and economic considerations.
 - **CSR:** Contributing to societal well-being through responsible business practices.
 - **Law:** Deep understanding of legal frameworks and compliance requirements.
 4. Finance & Accounts and Capital Markets:
 - **Finance & Accounts:** Proficiency in financial management and reporting processes.
 - **Capital Markets:** Understanding primary and secondary markets and capital allocation.
 5. Information Technology (IT), Cybersecurity, Data Protection, and Digitization:
 - **Information Technology:** Utilizing computer systems for data processing and exchange.
 - **Cybersecurity:** Protecting systems and data from cyber threats.
 - **Data Protection:** Safeguarding important data from loss or compromise.
 - **Digitization:** Converting information into digital formats for efficient processing.

The Board’s diversity of skills and expertise provides the depth and breadth of knowledge required to navigate complex business, regulatory, and strategic challenges, enabling well-informed decision-making across all areas of the Company’s operations.

Each director’s skills and expertise are aligned with strategic objectives of the Company, ensuring robust governance and informed decision-making across all areas of the Company’s operations.

Name of Directors	Leadership, Strategic Thinking & General Management			Public Policy and Public advocacy		Governance, EHS, sustainability & CSR					Finance & Accounts and Capital Market		Information Technology, Cyber Security, Data Protection and Digitisation			
	Leadership	Strategic Thinking	General Management	Public Policy	Public advocacy	Governance	EHS	Sustainability	CSR	Law	Finance & Accounts	Capital Market	Information Technology	Cyber Security	Data Protection	Digitisation
Mr. Anurag Dalmia	Y	Y	Y	Y	Y	Y		Y	Y		Y					
Justice Ravindra Singh (Retd.)	Y	Y	Y	Y	Y	Y			Y	Y	Y					
Mrs. Sudha Pillai	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y					
Mr. V. K. Jeyakodi	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y					
Mr. C. R. Rajagopal	Y	Y	Y	Y	Y	Y			Y	Y	Y	Y	Y	Y	Y	Y
Mr. Ravi Shanker Jalan	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Raman Chopra	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Neelabh Dalmia	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y			

Note: Mr. Alok Raj, Independent Director having expertise in field of Governance, taxation, finance, public policy & advocacy, diplomacy, leadership, and general management.

Our distinguished Board members bring a diverse mix of skills and expertise, ensuring that the Company is well-positioned to navigate challenges and seize opportunities across its industries. Their collective experience enables the Board to make informed, strategic decisions while considering multiple perspectives. This breadth of knowledge and insight promotes innovation, resilience, and long-term growth, strengthening the Company's ability to achieve its goals effectively.

2.6 Retirement of Independent Directors

During the financial year ended on March 31, 2026, all Independent Directors of the Company served their respective terms without any premature resignation or vacation of office.

Justice Ravindra Singh (Retd.) successfully completed his first term as Independent Director of GHCL Textiles Limited on March 31, 2026 and retired from the Directorship of the Company with effect from April 01, 2026, upon the expiry of his term. Throughout his tenure, Justice Ravindra Singh (Retd.) remained deeply committed to his responsibilities as an Independent Director, contributing with distinction to the Company's governance framework. He brought to the Board a wealth of legal expertise, sound judicial temperament, and a strong commitment to stakeholder protection. As Chairman of the Stakeholders' Relationship Committee, he played a pivotal role in ensuring responsive and effective redressal of investor grievances. His membership of the Nomination & Remuneration Committee and the Corporate Social Responsibility Committee further reflected the breadth of his contribution to the Company's governance, human capital, and social responsibility agenda.

The Board of Directors places on record its deep sense of appreciation and gratitude to Justice Ravindra Singh (Retd.) for his valuable guidance, independent judgement, and steadfast commitment to the highest standards of corporate governance during his tenure with GHCL Textiles Limited.

2.7 Code of Conduct

The Company has adopted a Code of Conduct for its employees. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors, which includes Code of Conduct for Independent Directors, which suitably incorporates the duties of Independent Directors as laid down in the Act. All Board members and senior management personnel have affirmed compliance with their respective Code of Conduct. The declaration is reproduced at the end of this Report.

2.8 Directors' Profile:

The brief profile of each Director of the Company is given below:

Mr. Anurag Dalmia

Mr. Anurag Dalmia [DOB - May 11, 1956] is a Non-executive Chairman (Promoter) of the Company. With his extensive experience as an eminent Industrialist, he brings a wealth of knowledge and expertise to the Board. Mr. Dalmia is actively involved in various industry associations and has represented organizations such as PHD Chambers of Commerce and Industry, as well as the Confederation of Indian Textile Industry.

Mr. Anurag Dalmia is non-executive Chairman of GHCL Limited and GHCL Textiles Limited, where he contributes with his strong leadership and strategic thinking abilities. Mr. Anurag Dalmia is serving as Chairman or member of the various Committee as follows, where he contributes his insights on managing risks and driving sustainable practices:

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited	Corporate Social Responsibility (CSR) Committee	Chairman
	Risk Management Committee (RMC)	Member
GHCL Limited	CSR Committee	Chairman
	Risk & Sustainability Committee	Member

His general management skills, coupled with his deep understanding of the industry, make him a valuable asset to the Company. He is actively engaged in public policy and advocacy, ensuring that the Company's activities align with societal needs and expectations. Additionally, he possesses a sound understanding of the finance & accounts, further enhancing the Board's expertise in these areas.

He is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. In GHCL Textiles Ltd, he is holding 1,45,225 equity shares in personal account and 605,124 equity share in HUF account.

Justice Ravindra Singh (Retd.)

Justice Ravindra Singh (Retd.) [DOB – July 2, 1953] is a highly esteemed Non-Executive Independent Director of the Company joined the Board of GHCL Textiles Limited on April 1, 2024. With a distinguished academic background, Justice Ravindra Singh (Retd.) holds a B.Sc. and LL.B. He embarked on an illustrious legal career as an Advocate in Allahabad High Court and Chairman of U. P. Law Commission before being elevated as a judge of the Allahabad High Court in 2004. After a remarkable tenure, he retired on July 1, 2015. Recognizing his exceptional contributions to the legal profession, he was designated as a Senior Advocate by the Supreme Court of India on August 31, 2016.

Justice Ravindra Singh (Retd.) brings a wealth of legal experience to the Company, that makes him an icon in the legal arena. His deep understanding of the law, coupled with his astute financial acumen, empowers him to contribute effectively to the Board's deliberations on governance matters.

Beyond his legal prowess, Justice Ravindra Singh (Retd.) possesses strong leadership and strategic thinking abilities. His general management skills enable him to provide valuable insights and guidance in shaping the Company's strategic direction. Moreover, his commitment to public advocacy and public policy positions him as a trusted advocate for stakeholders' interests.

Besides the Directorship in GHCL Textiles Limited, Justice Ravindra Singh (Retd.) serves as a Director on the Board of GHCL Limited and Inductus Limited. In addition to his directorial responsibilities, he is a member of the following Committees of the Board of Directors of these Companies.

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited (till 31.03.2026)	Stakeholders' Relationship Committee (SRC)	Chairman
	Nomination & Remuneration Committee (NRC)	Member
	Corporate Social Responsibility (CSR) Committee	Member
GHCL Limited	Stakeholders' Relationship Committee (SRC)	Chairman
	Nomination & Remuneration Committee (NRC)	Member
	Corporate Social Responsibility (CSR) Committee	Member

Justice Ravindra Singh (Retd.) was neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He does not hold any shares in the Company.

Justice Ravindra Singh (Retd.) successfully completed his first term as Independent Director of GHCL Textiles Limited on March 31, 2026. The Board and Management express their sincere appreciation for his distinguished contribution to the Company's governance, risk oversight, and stakeholder relations during his tenure.

Mrs. Sudha Pillai

Mrs. Sudha Pillai [DOB: May 01, 1950] belonged to the Kerala cadre of IAS. She has a BA (Hons) degree in English Literature and a Master's degree in Psychology from Panjab University securing the first rank and was awarded the University gold medal for both. She also has a Master's degree in Public Administration from the Harvard University USA.

She joined the IAS in 1972, securing the second rank in the country. In a career spanning almost 40 years, Mrs. Pillai was involved with policy making and enactment of laws as well as implementation of programmes.

She was the first woman appointed as Principal Secretary Finance in Kerala. She was part of the team engaged in the process of industrial licensing reforms in 1991. She was instrumental in the radical amendments to the MRTP Act 1969 in that year and was in charge of comprehensive amendments to corporate law.

Her overall experience in industry spans over 11 years and in finance her experience spans 6 years. Later as Secretary for Labour and Employment she was involved in the formulation of the first ever national policy on Skill Development as well Occupational Safety and Health in 2009. She was a member of NHA and the Central Councils of the Institutes of Chartered Accountants, Company Secretaries and Costs and Work Accountants. She also dealt with the implementation of the 73rd Constitutional Amendment for 7 years. Mrs. Pillai retired as Member Secretary of the erstwhile Planning Commission in the rank of Minister of State.

Mrs. Sudha Pillai served as Director on the Board of various listed and unlisted Companies. She has served as ex-officio member on the boards of IIFCL and Apollo Tyres and at present, serving as Independent Director on the Board of Indian Energy Exchange Ltd (IEX) and Jubilant Ingrevia Limited and Ganga Acrowools Limited. She is also serving on various Committees of the Board of Directors of these Companies, which are as follows:

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited	Nomination & Remuneration Committee (NRC)	Chairperson
	Corporate Social Responsibility (CSR) Committee	Member
Indian Energy Exchange Limited	Audit Committee (AC)	Chairperson
	Nomination & Remuneration Committee (NRC)	Chairperson
	Corporate Social Responsibility (CSR) Committee	Chairperson
Jubilant Ingrevia Limited	Corporate Social Responsibility (CSR) Committee	Chairperson
	Nomination & Remuneration Committee (NRC)	Member
	Risk Management Committee (RMC)	Member

She is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. She is not holding any shares in the Company.

Mr. V.K. Jeyakodi

Mr. V. K. Jeyakodi (DOB: December 20, 1959) belongs to IAS (Tamil Nadu Cadre-1984 Batch). He has graduated in BE(Hons)(ECE) from Madras University in 1981. He has worked as Technical Officer, Electronics Corporation of India Ltd (ECIL), Hyderabad from 1981-1984. He has obtained MBA (International Business) degree from the University of Western Sydney, Australia during 1999-2000 on a scholarship funded by the Common Wealth Government of Australia.

He has undergone training in Trichy District in 1985 and worked as Sub-Collector /SDM, Coimbatore Division from 1986-1988. He was CEO, Madurai Dairy during 1988-1989, discharging the function of Milk procurement and distribution activities in Southern Districts. He was Deputy Secretary, Food and Civil Supplies department and Public Department during 1989-1991. As Director of Sericulture, he had visited Japan and China in 1991 to study the development of Silk production.

He was District Collector/ District Magistrate of Tirunelveli and Thanjavur during 1995-1997 and Managing Director, Tamilnadu Civil Supplies Corporation during 1997-1999, discharging the function for farmer's betterment and Public Distribution System in the State and also Member - Secretary, Chennai Metropolitan Development Authority (CMDA) during 2000-2002.

He worked as Executive Director, Tamilnadu Industrial Development Corporation and also Commissioner of Municipal Administration for a brief period before taking up the assignment of Secretary to the Chief Minister, Tamilnadu in 2002 where he served for more than 4 years.

In the rank of Principal Secretary, he has served as Commissioner of Technical Education, Commissioner of Commercial Taxes, Revenue Secretary, Tourism and Culture Secretary and Member- Secretary, Sport Development from 2008-2014. In the rank of Chief Secretary, he has worked as CMD, Tamilnadu Power Finance and Infrastructure Development Corporation, State Vigilance Commissioner and Commissioner of Land Administration from 2014-2020.

He is Life Member, Indian Council of Astrological Sciences (ICAS), Delhi and has obtained Certificates in Vedic Astrology (Jyothish Visharada, Vaastu Acharya and Hastarekha) (Advanced Courses).

He is appointed as Independent External Monitor in Banaras Hindu University (BHU), Varanasi and Power Finance Corporation Consultancy Ltd, Delhi to implement Integrity Pact in the procurements and tenders, on the recommendation of Central Vigilance Commission. He is currently serving as an Independent Director on the Board of Meenakshi (India) Limited. In addition to his directorial responsibilities, he is a member of the following Committees of the Board of Directors of these Companies.

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited	Nomination & Remuneration Committee (NRC)	Member
	Audit Committee (AC)	Member
Meenakshi (India) Limited	Nomination & Remuneration Committee (NRC)	Member
	Audit Committee (AC)	Member

His deep understanding of the law, finance and general management enable him to provide valuable insights and guidance in shaping the Company's strategic direction. His commitment to public advocacy and public policy positions him as a trusted advocate for stakeholders' interest. He is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He does not hold any shares in the Company.

Mr. C.R. Rajagopal

Mr. C. R. Rajagopal (DoB: January 08, 1960) is a Chartered accountant and member of Institute of Chartered Accountants (ICAI) since 1984. He has done his graduation from Madras University. Mr. Rajagopal has vast industrial experience of approx. 41 years in industry in various roles in Textiles, Apparel and fashion, Automotive component manufacturing, Mining, Aluminium, Entertainment, Agriculture and allied sectors and Retail.

He worked with different firms and companies, as partner with Deloitte, India and for last 24 years working as consultant/ advisor for business and start-ups mainly focused in textiles industry. Mr. C. R. Rajagopal have a vast

experience in setting up of textile projects and part of the Advisory bodies for the industry. He is involved with textile industry as member for formulating financial restructuring, plan submission with Confederation of Indian Textile Industry (CITI) and other apex body of textiles industry.

Apart from GHCL Textiles, Mr. Rajagopal is holding directorship in Kalyan Jewellers Limited, S.P. Apparels Limited and Adithya Automotive Applications Limited and many Private Limited Companies. In addition to his directorial responsibilities, he is a member of the following Committees of the Board of Directors of various Companies.

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited	Audit Committee (AC)	Chairman
	Risk Management Committee (RMC)	Chairman
S.P. Apparels Ltd	Audit Committee (AC)	Chairman
	Nomination & Remuneration Committee (NRC)	Chairman
	Corporate Social Responsibility (CSR) Committee	Member
	Risk Management Committee (RMC)	Member
	Stakeholders Relationship Committee (SRC)	Chairman
Kalyan Jewellers Limited	Audit Committee (AC)	Chairman
	Nomination & Remuneration Committee (NRC)	Chairman
	Corporate Social Responsibility (CSR) Committee	Member

He is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He does not hold any shares in the Company.

Mr. Alok Raj

Mr. Alok Raj [DOB: August 15, 1962] was appointed as an Independent Director of GHCL Textiles Limited for a term of five consecutive years with effect from April 01, 2026, following approval by the shareholders of the Company through postal ballot on March 12, 2026.

Mr. Alok Raj is a 1988 batch officer of the Indian Revenue Service (Customs and Indirect Taxes) and a former Special Secretary, Cabinet Secretariat, Government of India. He has served the Government of India for over three decades, with extensive experience across the Department of Revenue, Cabinet Secretariat, and Ministry of External Affairs. His professional expertise spans indirect taxation, investigation and enforcement, strategic planning, policy formulation, national and economic security, bilateral trade, and export promotion.

Mr. Raj has handled international affairs for over two decades, both within India and abroad, and has served in Indian Embassies in several countries at senior levels. He has played a key role in strengthening India's global outreach, bilateral relations, and multilateral diplomacy. In recognition of his distinguished service to the nation, Mr. Raj is a recipient of a prestigious civilian gallantry award conferred by the Hon'ble Prime Minister of India.

He holds an M.A. degree from the Delhi School of Economics, University of Delhi, and continues to engage actively with geopolitical developments and corporate governance matters.

In GHCL Textiles Limited, Mr. Alok Raj serves as Chairman of the Stakeholders' Relationship Committee and as a Member of the Nomination & Remuneration Committee, the Corporate Social Responsibility Committee, and the Banking & Operations Committee. He is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees across all listed companies in which he is a Director. He does not hold any equity shares in the Company.

Mr. Ravi Shanker Jalan

Mr. Ravi Shanker Jalan (DOB - October 10, 1957) is Non-Executive Director of the Company. With more than four decades of experience in the corporate world, Mr. Jalan is a distinguished leader known for his exceptional leadership, strategic thinking, and industry expertise. He holds a 1st Class Commerce Graduate (Hons.) degree and is a Member of the Institute of Chartered Accountants of India (ICAI).

Mr. Jalan has had a distinguished career in the corporate sector, beginning with leadership roles across several notable organizations including Modi Investment Corporations Limited, Sanjay Paper and Chemicals Limited, Dalmia Industries Limited, Dalmia (Bros.) Private Ltd., and GTC Industries Limited. His long-standing association with the Dalmia Group of Companies has been pivotal in shaping his professional journey and establishing his reputation as a seasoned business leader. At present, Mr. Jalan is serving as Managing Director of GHCL Limited and as a Director on the Board of Sachin Tradex Private Limited, India Hostels Private Limited and Designated partner in Sumedha Worldwide LLP. In addition to his directorial responsibilities, he is a member of the following Committees of the Board of Directors of GHCL Limited and GHCL Textiles Limited.

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited	Stakeholders' Relationship Committee (SRC)	Member
	Risk Management Committee (RMC)	Member
	Banking & Operations Committee (B&OC)	Member
GHCL Limited	Stakeholders' Relationship Committee (SRC)	Member
	Risk & Sustainability Committee (RSC)	Member
	Banking & Operations Committee (B&OC)	Member
	Corporate Social Responsibility (CSR) Committee	Member

Mr. Jalan is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. Mr. Jalan hold 6,51,830 equity shares of the Company in individual account and 100 shares in HUF account.

Mr. Raman Chopra

Mr. Raman Chopra (DOB – November 25, 1965) is Non-Executive Director of the Company. He is a graduate in Commerce and Fellow member of Institute of Chartered Accountants of India. Mr. Chopra is having wide experience in Corporate Finance and Textiles. Mr. Chopra has more than three decades of Industrial experience.

At present, Mr. Chopra is an CFO & Executive Director- Finance of GHCL Limited. Mr. Chopra possesses a profound understanding of corporate finance, governance, and sustainability, enabling him to navigate complex financial landscapes with ease. In addition to his directorial responsibilities, he is a member of the following Committees the Board of Directors of GHCL Limited and GHCL Textiles Limited.

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited	Audit Committee (AC)	Member
	Stakeholders' Relationship Committee (SRC)	Member
	Risk Management Committee (RMC)	Member
	Banking & Operations Committee (B&OC)	Member
GHCL Limited	Stakeholders' Relationship Committee (SRC)	Member
	Risk & Sustainability Committee (RSC)	Member
	Banking & Operations Committee (B&OC)	Member
	Corporate Social Responsibility (CSR) Committee	Member

Mr. Chopra's sharp financial insight, exceptional negotiation skills, and commitment to adopting cutting-edge technologies have played a pivotal role in strengthening business processes and ensuring long-term financial stability. Beyond his financial expertise, he embodies a deep sense of social responsibility, actively supporting the company's CSR initiatives and driving positive change in the community.

His leadership spans diverse domains including law, environment, health and safety, capital markets, digitization, data analytics, and public advocacy, reflecting his versatility as a corporate leader. With proven expertise in finance, governance, and public policy, Mr. Chopra combines strategic vision with operational excellence, making him an invaluable asset of the Company.

Mr. Chopra is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He is also holding 1,75,000 equity shares in the Company.

Mr. Neelabh Dalmia

Mr. Neelabh Dalmia (DOB – August 16, 1983) is Non-Executive Director of the Company, having MBA and a Bachelor's degree in Business Administration, specializing in Finance and Entrepreneurship from the prestigious Kelley School of Business, Indiana University, USA.

Mr. Neelabh Dalmia is a strategic business leader with more than two decades of experience in driving growth, diversification, and innovation across sectors. As an Executive Director at GHCL Limited and Non-Executive Director in GHCL Textiles Limited, he plays a pivotal role in steering the Company's long-term growth strategy, with a focus on greenfield and brownfield expansions, strategic investments, product innovation, and sustainability-led transformation. In addition to his directorial responsibilities, he is a member of the following Committees the Board of Directors of GHCL Limited and GHCL Textiles Limited.

Company	Name of the Committee	Position in the Committee
GHCL Textiles Limited	Corporate Social Responsibility (CSR) Committee	Member
	Stakeholders' Relationship Committee (SRC)	Member
	Risk Management Committee (RMC)	Member
	Banking & Operations Committee (B&OC)	Member
GHCL Limited	Stakeholders' Relationship Committee (SRC)	Member
	Risk & Sustainability Committee (RSC)	Member
	Banking & Operations Committee (B&OC)	Member
	Corporate Social Responsibility (CSR) Committee	Member

As a key member of core Committees on CSR, sustainability, risk, and stakeholder relations, he is offering invaluable insights into governance, financial planning, and operational excellence. He is also a permanent invitee of the Audit Committee of GHCL Textiles Limited. Outside the boardroom, he is a passionate photographer and a dedicated advocate for social impact. He actively supports initiatives in education and skill development, women's empowerment, alternative livelihoods, and sustainable development, driving innovative models that create lasting change. His approach is guided by a simple yet powerful mantra: to measure success by the tangible impact of each initiative and its ability to foster self-sustaining communities.

He is actively engaged with leading industry bodies such as CII, CITI, TEXPROCIL, FICCI, and PHDCCI, and mentors early-stage start-ups as a member of the Indian Angel Network and FAAD Network. A member of the global

leadership platform Young Presidents' Organization (YPO), Mr. Dalmia exemplifies values of strategic foresight, inclusive growth, and environmental responsibility.

He is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He is also holding 1,72,751 equity shares of the Company.

3. Committees of the Board

(i) Audit Committee (AC)

The Board of Directors, in its meeting held on March 06, 2023 had constituted the Audit Committee as per the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Further the Board of Directors of the Company had reconstituted the Audit Committee of the Company w.e.f. March 06, 2025.

As of March 31, 2026, there were three Non-Executive Directors consisting majority of Independent Directors having expertise in financial and accounting areas, as members of the Committee. Chairman of the Committee is an Independent Director. Company Secretary of the Company acts as Secretary to the Committee.

Role and Responsibilities: The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory auditors and the internal auditors.

Terms of Reference:

The details of terms of reference is available at company website:

https://ghcltextiles.co.in/wp-content/uploads/2026/05/GHCL-Textiles_Term-of-Reference_Audit-Committee.pdf

Meeting Structure and Reporting: Executive summary of the Audit Committee Meetings is placed before the immediate next Board Meeting held after the Audit Committee Meetings for deliberation and the full minutes of the same are placed before the following Board Meeting for record. The Chairman of the Audit Committee apprises the Board on the recommendations made by the Committee. Dates of the Audit Committee Meetings are fixed in advance and agenda along with explanatory notes are circulated at least seven days before the meeting. Wherever it is not practicable to attach any document to the agenda the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. In certain emergency situation and /or to maintain the price sensitivity of the transaction, Audit Committee meeting may be convened on shorter notice after complying necessary requirement for the same.

Meetings and Compliance: During the financial year ended on March 31, 2026, the Audit Committee met four times on May 05, 2025, July 29, 2025, November 01, 2025 and January 29, 2026 and the gap between any two consecutive meetings of the Audit Committee is not more than 120 days, ensuring compliance with the requirement of Regulation 18 of the Listing Regulations and the Companies Act, 2013. The adequate quorums were present at every Audit Committee meeting.

The Composition of Audit Committee and attendance of members at the meetings are given herein below:

Composition and Attendance of Members at the Audit Committee Meetings held during the Financial Year ended on March 31, 2026						
Name of the Audit Committee Members	Category / expertise	Date of Meetings				Whether attended Last AGM (Yes/No/NA)
		May 05, 2025	July 29, 2025	November 01, 2025	January 29, 2026	
Mr. C. R. Rajagopal Chairman of the Committee	Independent Director (Expertise in Finance, account, forex, tax and Textiles industry)	Yes	Yes	Yes	Yes	Yes
Mr. V. K. Jeyakodi Member of the Committee	Independent Director (Expertise in administration, finance & taxation, Revenue, CSR)	Yes	Yes	Yes	Yes	Yes
Mr. Raman Chopra Member of the Committee	Non- Executive Director (Expertise in Finance, accounts, forex, tax etc.)	Yes	Yes	Yes	Yes	Yes

Note:

1. The Board of Directors, had appointed Mrs. Sudha Pillai, Independent Director and Mr. Neelabh Dalmia, Non-Executive – Director as a permanent invitee of the Audit Committee.
2. The Audit Committee ensures that relevant stakeholders are invited to its meetings as required. Invitees include the Directors, CEO, CFO, Statutory Auditors, Internal Auditors, and other concerned employees responsible for Internal Audit/accounts. Their presence and inputs contribute to comprehensive discussions and informed decision-making during the Committee meetings.

The Company has complied with the requirements of Regulation 18 of the Listing Regulations as regards composition of the Audit Committee.

As required under Regulation 18 (3) of the Listing Regulations, the Audit Committee had reviewed the following information:

- Management Discussion and Analysis of financial condition and results of operations.
- Management letter(s)/letters of Internal control, weaknesses issued by the Statutory Auditors.
- Internal Auditor’s Reports relating to internal control weaknesses.
- the Appointment, removal and terms of remuneration of the Chief internal auditor.
- Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, in terms of Regulation 32 (1): – **Not applicable**
 - Annual statement of funds utilised for purposes other than those stated in the offer document/ Prospectus/notice in terms of Regulation 32 (7): - **Not applicable**

These rigorous reviews and assessments serve as pillars supporting robust corporate governance practices and uphold our commitment to regulatory compliance. The Audit Committee’s dedication to these examinations enhances transparency, accountability, and the overall integrity of our operations.

(ii) Nomination & Remuneration Committee (NRC):

The Board of Directors, at its meeting held on March 06, 2023, constituted the Nomination & Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee was subsequently reconstituted on March 06, 2025, and subsequent to the reporting financial year, further reconstituted on April 01, 2026, following the appointment of Mr. Alok Raj.

As on March 31, 2026, the Committee comprises three Independent Directors, with a Woman Independent Director serving as the Chairperson of the Committee. The Company Secretary of the Company acts as the Secretary to the Committee.

In line with the requirement of Section 178(2) of the Companies Act, 2013 read with Regulation 19(4) of the Listing Regulations, the Nomination and Remuneration Committee shall be responsible for following activities:

1. To identify persons who are qualified:
 - (a) to become Directors and
 - (b) who may be appointed in senior management in accordance with the criteria laid down by the company. The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads.
2. To recommend to the Board the appointment and removal of person identified under point (1) above.
3. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
4. To devise a policy on diversity of Board of Directors.
5. To formulate the criteria for evaluation of performance of Independent Directors and Board of Directors.
6. To decide whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors.
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
8. Any other activities as per the requirement of Regulation 19 of the Listing Regulations and the Companies Act, 2013.

Terms of Reference:

The details of terms of reference is available at company website:

https://ghcltextiles.co.in/wp-content/uploads/2026/05/GHCL-Textiles_Term-of-Reference_NRC-Committee.pdf

During the financial year ended on March 31, 2026, two meetings of the Nomination & Remuneration Committee were held on May 05, 2025 and January 27, 2026. The Composition of Nomination & Remuneration Committee and attendance of members at the meetings are given herein below.

Composition and Attendance of Members at the Nomination & Remuneration Committee (NRC) Meetings held during the Financial Year ended on March 31, 2026

Name of the NRC Committee Members	Category / Expertise	Date of Meetings		Whether attended Last AGM (Yes/No/NA)
		May 05, 2025	January 27, 2026	
Mrs. Sudha Pillai Chairperson of the Committee	Independent Director (Expertise in Finance, account, administration, CSR)	Yes	Yes	Yes
Justice Ravindra Singh (Retd.) Member of the Committee	Independent Director (Expertise in Legal)	Yes	Yes	Yes
Mr. V. K. Jeyakodi Member of the Committee	Independent Director (Expertise in administration, finance & taxation, Revenue, CSR)	Yes	Yes	Yes

Note:

- Justice Ravindra Singh had completed his tenure as Independent Director and Committee Member of the Company on March 31, 2026 and Mr. Alok Raj is appointed as Independent Director and also as a member of the NRC w.e.f. April 01, 2026.
- The Board of Directors, during its meeting held on May 06, 2024, had appointed Mr. Anurag Dalmia, Non-Executive – Chairman as a permanent invitee of the Nomination & Remuneration Committee.

Remuneration Policy:

The Nomination & Remuneration Policy of the Company has been posted on the website of the Company at <https://ghcltextiles.co.in/wp-content/uploads/2024/04/GHCL-Textiles-Limited-Nomination-and-Remuneration-Policy.pdf>. The Company's Compensation Policy and Practices have been formulated and maintained to meet the following objectives:

- To attract, retain and motivate qualified and competent individuals at Director, Key Managerial and other employee levels to carry out Company's business operations as assigned to them.
- To ensure payment of salaries and perks that are comparable to market salary levels so as to remain competitive in the industry.
- To revise the remuneration of its employees periodically for their performance, potential and value addition after systematic assessment of such performance and potential.
- To ensure disbursement of salary and perks in total compliance to the applicable statutory provisions and prevailing tax laws of the Country.

In order to meet the above objectives, the Company undertakes various processes in an ongoing manner such as conducting of salary survey's, periodic review of its performance appraisal and reward systems, institution of incentive schemes, providing skill and competency development to its manpower on a regular basis, providing fast track career growth paths to high performers, modification of salary structure in line with the changes in the tax laws etc.

With regard to the annual revision of the employees, respective reporting managers assess the performance of employees. However, the authority for reviewing the performance and reward rests with the Nomination and Remuneration Committee of the Board of Directors of the Company. In this assessment, the performance, potential and value addition to the Company are assessed as per the policy of the Company.

Additionally, in order to get best talent from the market and retain them for longer period, Company has a policy to pay compensation better than prevailing market practice to deserving candidates. In any circumstance, remuneration shall not be less than prevailing market trend.

In addition to the above, remuneration to Directors, key managerial personnel, and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. Payment of remuneration to the Chief Executive Officer and Chief Financial Officer and Company Secretary are governed by the policy of the Company. Their Remuneration structure comprises salary, perquisites and allowances, contribution to Provident Fund and Superannuation Fund and premium on Gratuity Policy etc.

The Non-Executive Directors including Independent Directors do not draw any remuneration from the Company other than the sitting fee and such commission as may be determined by the Board from time to time within the overall approval given by the shareholders in the 3rd Annual General Meeting of the Company held on September 09, 2023 and pursuant to the relevant provisions of the Companies Act, 2013. The commission payable to the Non - Executive Directors is limited to a fixed amount per year as determined and approved by the Board, the sum of which is within the limit of 1% of net profit for the year, calculated as per the provisions of the Companies Act, 2013. The actual amount of commission payable to each Non - Executive Director is decided by the Board, upon recommendation of the Nomination & Remuneration Committee, on the following criteria: -

- Attendance and time spent in the Board meeting, Audit Committee meeting, Nomination & Remuneration Committee meeting, Corporate Social Responsibility Committee meeting and Risk Management Committee meeting during the financial year;
- Outcome of the evaluation process;
- Role and Responsibility as Chairman and /or Member of the Board / Committee;
- Individual contribution at the meetings and contribution made by Directors other than in the meetings;

During the financial year 2025-26, the Company paid sitting fees of ₹ 25,000/- per meeting for attending each meeting of the Board and Committees of the Company to all the Directors of the Company.

Details of sitting fee and commission paid/payable to the Directors of the Company for the financial year ended on March 31, 2026 are given below:

S. No.	Non- Executive Directors	Amount ((₹ in lacs)		
	Name	Sitting Fees	Commission	Total
1	Mr. Anurag Dalmia	1.75	6.00	7.75
2	Justice Ravindra Singh (Retd.)	1.75	6.00	7.75
3	Mrs. Sudha Pillai	2.00	6.00	8.00
4	Mr. V. K. Jeyakodi	2.75	6.00	8.75
5	Mr. C. R. Rajagopal	2.75	6.00	8.75
6	Mr. Ravi Shanker Jalan	1.50	6.00	7.50
7	Mr. Raman Chopra	2.50	6.00	8.50
8	Mr. Neelabh Dalmia	1.75	6.00	7.75
	TOTAL	16.75	48.00	64.75

Note: Please note that the commission payable to all Non-Whole Time Directors will not exceed 1% per annum of the net profit of the Company, as calculated under the provisions of the Companies Act, 2013.

Our strategies encompass periodic market surveys, performance appraisal enhancements, incentive scheme implementation, skill augmentation initiatives, and adaptability to evolving tax laws.

While performance evaluations are carried out by reporting managers, the Nomination and Remuneration Committee holds the authority to review and decide on compensation matters, guided by our policies and considering performance, potential, and value addition.

We remain dedicated to offering competitive packages, surpassing industry norms, to attract and retain top talent, ensuring our market prominence endures.

Service Contracts, Notice Periods, Severance Fees

The service contracts, Notice Periods and severance fees to all the Directors including Non-Executive and Independent Directors are governed through Board/ Shareholders Resolutions related to appointment or re-appointment of the concerned Directors.

All pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company:

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors and Independent Directors during the Financial Year ended on March 31, 2026, except for the Sitting Fees and Commission paid or payable to them respectively as approved by the Board from time to time.

Employees' Stock Options Scheme

At present, Company does not have any Employees' Stock Options Scheme.

Performance Evaluation:

In line with the Companies Act, 2013, SEBI Guidance Note on Board Evaluation, and SEBI Listing Regulations, the Board conducted its annual evaluation for the financial year 2025-26 during its meeting held on April 30, 2026, wherein the performance of all Independent Directors (except the Director being evaluated) was assessed by the entire Board. Additionally, a separate meeting of Independent Directors was held on April 10, 2026, to evaluate the performance of the Non-Independent Directors, Chairman of the Board, the Board as a whole and its Committees, in accordance with the requirements of Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations. For reference, the corresponding evaluations for the financial year 2024-25 were conducted at the Board meeting held on May 5, 2025, and at the separate Independent Directors' meeting held on April 15, 2025.

The performance evaluation of the Board and its constituents was conducted on the basis of functions, responsibilities, competencies, strategy, tone at the top, risk identification and its control, diversity, and nature of business. A structured questionnaire was circulated to the members of the Board covering various aspects of the Board's functioning, Board culture, execution and performance of specific duties, professional obligations and governance. The questionnaire was designed to judge knowledge of Directors, their independence while taking business decisions; their participation in formulation of business plans; their constructive engagement with colleagues and understanding the risk profile of the Company, etc. In addition to the above, the chairman of the Board and / or Committee is evaluated on the basis of their leadership, coordination and steering skills.

Thereafter, the Nomination and Remuneration Committee review the performance of individual Directors on the basis of their contribution as a member of the board or Committee. The quantum of profit-based commission, payable to Directors is decided by the Nomination and Remuneration Committee on the basis of overall performance of individual Directors.

(iii) Stakeholders Relationship Committee (SRC):

In accordance with Section 178 (6) of the Companies Act, 2013, read with Regulation 20(4) and Para B of Part D of Schedule II of the Listing Regulations, our Stakeholders Relationship Committee is vested with significant responsibilities to safeguard the interests of our valued shareholders. These responsibilities encompass:

- 1. Addressing Shareholders' Concerns:** The Committee diligently resolves grievances pertaining to share transfers/transmissions, non-receipt of essential documents such as annual reports and dividend warrants, and other matters concerning general meetings.
- 2. Ensuring Voting Rights:** We actively review measures aimed at empowering shareholders to effectively exercise their voting rights, ensuring their voices are heard in key Company decisions.
- 3. Maintaining Service Standards:** Assessment of adherence to service standards adopted by the Company regarding services provided by the Registrar & Share Transfer Agent (RTA) is a priority, ensuring seamless shareholder experiences.
- 4. Enhancing Shareholder Communication:** We review various initiatives aimed at reducing unclaimed dividends and facilitating timely receipt of critical documents such as dividend warrants, annual reports, and statutory notices.

The Stakeholders Relationship Committee of the Company is constituted under the relevant provisions of the Companies Act, 2013 read with SEBI Listing Regulations 2015. The Committee remains committed to expediting the resolution of shareholder complaints. Through regular monitoring of complaints registered via platforms like the SEBI Complaints Redress System (SCORES) and those received via Stock Exchanges, along with corresponding action taken reports (ATRs), we ensure swift and efficient redressal. The Committee convenes periodic meetings to bolster shareholder services and promptly address any grievances, whether routed through the RTA or directly to the Company.

The Board of Directors constitute the Stakeholders Relationship Committee (SRC), on March 06, 2023 and further re-constituted w.e.f. March 06, 2025. Subsequent to the financial year end, the Committee is further reconstituted w.e.f. April 01, 2026 after appointment of Mr. Alok Raj as an Independent Director and tenure completion of Justice Ravindra Singh (Retd.).

In the financial year ended on March 31, 2026, the Stakeholders Relationship Committee convened four meetings on April 15, 2025, July 15, 2025, October 15, 2025 and January 17, 2026, focusing on elevating shareholder experiences and ensuring seamless communication channels. By promptly addressing grievances and upholding shareholder rights, we endeavour to foster transparency, trust, and enduring stakeholder relationships.

The Composition of Stakeholders Relationship Committee as on March 31, 2026 and attendance of members at the meetings held during the Financial year ended on March 31, 2026 are given herein below:

Composition and Attendance of Members at the Stakeholders Relationship Committee (SRC) Meetings held during the Financial Year ended on March 31, 2026						
Name of the SRC Committee Members	Category	Date of Meetings				Whether attended
		April 15, 2025	July 15, 2025	October 15, 2025	January 17, 2026	Last AGM (Yes/No/NA)
Justice Ravindra Singh (Retd.) Chairman of the Committee	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Ravi Shanker Jalan Member of the Committee	Non-Executive Director	Yes	Yes	Yes	Yes	Yes
Mr. Raman Chopra Member of the Committee	Non-Executive Director	Yes	Yes	Yes	Yes	Yes
Mr. Neelabh Dalmia Member of the Committee	Non-Executive Director	Yes	Yes	Yes	Yes	Yes

Note: Justice Ravindra Singh had completed his tenure as Independent Director and Committee Chairman of the Company on March 31, 2026 and Mr. Alok Raj is appointed as Independent Director and also as Chairman of the SRC w.e.f. April 01, 2026.

The Stakeholders Relationship Committee is empowered to review the summary of the complaints received and also to take appropriate action promptly. No requests for share transfer are pending apart from those that are disputed or sub-judice. All complaints are resolved within 15 days except those which are of legal nature.

The Company received five complaints from shareholders through Stock Exchanges and/or SEBI or directly that inter-alia includes non-receipt of shares, share transfer (including Demat etc.), claim of shares from suspense Escrow account and non - receipt of annual report. The Complaints were duly attended and the Company has furnished necessary documents / information to the shareholders.

Company Secretary of the Company is the Secretary to the Committee.

(iv) Banking and Operations Committee (B&OC):

The Banking and Operations Committee was established to facilitate efficient decision-making and oversee day-to-day operational matters on behalf of the Board of Directors. This Committee plays a crucial role in ensuring that key operational functions are handled promptly and effectively, convening as needed to authorize essential actions. The Chairman of the Committee is elected by the members of the Committee in every meeting and decisions are taken based on the majority

Initially, the Banking and Operations Committee was constituted by the Board of Directors in its meeting held on March 06, 2023 and further reconstituted on May 06, 2024. Subsequent to the financial year end, the Committee is further reconstituted vide a circular resolution w.e.f. April 01, 2026.

Key Responsibilities: The Banking and Operations Committee is responsible for a broad range of financial and administrative functions, including:

- Issuing Power of Attorney for operational and legal purposes.
- Negotiating and managing various loan agreements.
- Handling interactions with government authorities, including statutory, judicial, regulatory, and commercial bodies, ensuring full compliance with applicable laws and obligations.
- Operating within the authority delegated by the Board, the Committee executes its responsibilities with precision, diligence, and a strong commitment to governance standards.
- Authorising officials for implementation of various policies or guidelines approved by the board and board constituted Committee.

Operational Highlights (FY 2025-26): During the financial year 2025-26, the Banking and Operations Committee held multiple meetings to review and make decisions on critical operational and financial matters. The Committee's proactive approach ensured efficient oversight, swift decision-making, and enhanced regulatory compliance, strengthening the overall effectiveness of the business operations of the Company. During the financial year ended on March 31, 2026, total ten meeting of the Committee were held as per business requirements of the Company.

The composition of the Banking and Operations Committee as on March 31, 2026 is as under:

Sl. No.	Name of Directors	Status
1	Justice Ravindra Singh (Retd.) – Independent Director	Member
2	Mr. Raman Chopra – Non-Executive Director	Member
3	Mr. Neelabh Dalmia – Non-Executive Director	Member

Note: Justice Ravindra Singh had completed his tenure as Independent Director and Committee Chairman of the Company on March 31, 2026 and Mr. Alok Raj is appointed as Independent Director and Member of the Committee w.e.f. April 01, 2026. Mr. Ravi Shanker Jalan is also appointed as member of the Committee w.e.f. April 01, 2026.

(v) Corporate Social Responsibility (CSR) Committee & CSR activities:

This Committee was constituted to strengthen and monitor CSR policy of the Company. The Board of Directors in its meeting held on March 06, 2023, had constituted the Corporate Social Responsibility (CSR) Committee as per the requirement of Section 135 of the Companies Act, 2013. The Committee was re-constituted w.e.f. March 06, 2025. Subsequent to the financial year end, the Committee is further reconstituted vide a circular resolution w.e.f. April 01, 2026.

The CSR Committee of the Board meets the criteria prescribed by Section 135 of the Companies Act, 2013, which states that every CSR Committee of the Board shall be consisting of three or more Directors, out of which at least one Director shall be an Independent Director. The term of reference of CSR Committee is available on the website of the Company at https://ghcltextiles.co.in/wp-content/uploads/2026/05/GHCL-Textiles_Term-of-Reference_CSR-Commitee.pdf

The Board of Directors of GHCL Textiles Limited through CSR Committee / GHCL Foundation Trust / management is responsible for following CSR related activities:

- To approve CSR strategies, budgets, plans and corporate policies;
- To approve CSR's risk management strategy and frameworks and monitoring their effectiveness;
- Considering the social, ethical and environmental impact of CSR's activities and monitoring compliance with CSR's sustainability policies and practices;
- To review the CSR activities undertaken during the financial year;
- Inclusion and modification of CSR activities based on the survey conducted by the independent agency and impact assessment analysis with respect to CSR activities undertaken by the Company;
- To empower Chief Executive Officer for taken appropriate steps with an objective to achieve CSR goal determined by the Board;
- To ensure that Company shall respect human rights concern throughout its operations and if required develop a framework for managing, mitigating and preventing adverse human rights impacts;
- To review of the progress report of CSR Activities;
- Giving of directions for effective implementation of CSR projects.

The Board of Directors in its Meeting held on August 01, 2024 approved the donation of five acres land to the District Collector, State of Tamilnadu for construction of mini stadium to promote rural sports. All CSR initiatives of GHCL Textiles Limited are implemented by a dedicated team within the GHCL Foundation Trust, with top management conducting monthly reviews to track progress and outcomes. The Company focuses on thematic programs throughout the year, addressing key social areas such as:

- Agriculture and animal husbandry for rural development.
- Healthcare and education to improve community well-being.
- Vocational training to enhance employability.
- Women empowerment programs to foster inclusivity and self-reliance.

Composition of the Corporate Social Responsibility Committee as on March 31, 2026 is as under:

Composition and Attendance of Members at the Corporate Social Responsibility Committee Meetings held during the Financial Year ended on March 31, 2026

Name of the CSR Committee Members	Category	Date of Meeting May 05, 2025	Whether attended Last AGM (Yes/No/NA) July 21, 2025
Mr. Anurag Dalmia Chairman of the Committee	Non-Executive Director	Yes	Yes
Justice Ravindra Singh (Retd.) Member of the Committee	Independent Director	Yes	Yes
Mrs. Sudha Pillai Member of the Committee	Independent Director	Yes	Yes
Mr. Neelabh Dalmia Member of the Committee	Non-Executive Director	Yes	Yes

Note: Justice Ravindra Singh had completed his tenure as Independent Director and CSR Committee member of the Company on March 31, 2026 and Mr. Alok Raj is appointed as Independent Director and Member of the CSR Committee w.e.f. April 01, 2026.

(vi) Risk Management Committee:

Committee Overview: Sound risk management is fundamental to sustainable business performance and long-term value creation. Although the mandatory requirement to constitute a Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applies only to the top 1,000 listed entities by market capitalisation — a threshold currently not applicable to GHCL Textiles Limited — the Board of Directors has voluntarily constituted this Committee as a measure of good corporate governance and proactive risk stewardship.

Committee Composition and Functionality: The Risk Management Committee was originally constituted by the Board of Directors at its meeting held on March 06, 2023 and was subsequently reconstituted with effect from March 06, 2025. Subsequent to the financial year end, the Committee was further reconstituted vide a circular resolution with effect from April 01, 2026, pursuant to which Mr. Marshal R. Sonavane, CEO (non-Board member), was inducted as a member, recognising the importance of senior management participation in the risk oversight framework.

The Committee primarily comprises members of the Board of Directors, with the flexibility to include senior executives where their domain expertise is considered necessary. The Chairman of the Committee is a Board member, ensuring direct accountability to the Board. The Board of Directors holds ultimate responsibility for risk oversight and sets the risk appetite for the organisation, while the Risk Management Committee provides strategic guidance to the Management for implementing the Risk Management Policy across all business functions.

As on March 31, 2026, the Committee comprised five Non-Executive Directors. Mr. C. R. Rajagopal, Independent Director, serves as Chairman, and Mr. Anurag Dalmia, Mr. Ravi Shanker Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia serve as members. The Company Secretary acts as Secretary to the Committee.

Comprehensive Risk Management Policy: The Company has adopted a detailed Risk Management Policy and a robust Risk Management Framework to proactively identify, assess, prioritise, and mitigate risks across all operational areas. The Policy addresses key risk factors including technological developments, geopolitical environment, regulatory and environmental requirements, raw material price volatility, foreign exchange exposure, and evolving market dynamics. It mandates a continuous process of risk identification, assessment, mitigation planning, and monitoring, supported by periodic reporting to the Risk Management Committee and the Board.

The Risk Management Policy is available on the Company's website at: www.ghcltextiles.co.in and The terms of reference of the Committee are available at: https://ghcltextiles.co.in/wp-content/uploads/2026/05/GHCL-Textiles_Term-of-Reference_RMC-Committee.pdf

Meetings and Engagement: During the financial year ended on March 31, 2026, the Risk Management Committee held two meetings on June 21, 2025 and January 12, 2026. The meetings covered key areas including commodity price risk and cotton procurement strategy, foreign exchange exposure and hedging framework, energy cost management and renewable energy transition, operational risks at manufacturing facilities, and regulatory compliance risks. The Committee's recommendations and observations were reported to the Board of Directors at the subsequent Board meetings, ensuring the Board remained adequately informed of the Company's risk profile.

Committee Composition and Meeting Attendance: The composition of the Risk Management Committee as on March 31, 2026 and the attendance of members at meetings held during the financial year ended on March 31, 2026 are set out in the table below:

Composition and Attendance of Members at the Risk Management Committee (RMC) Meetings held during the Financial Year ended on March 31, 2026				
Name of the RMC Committee Members	Category	Date of Meeting		Whether attended Last AGM (Yes/No/NA)
		June 21, 2025	January 12, 2026	July 21, 2025
Mr. C. R. Rajagopal – Chairman	Independent Director	Yes	Yes	Yes
Mr. Anurag Dalmia	Non-Executive Director	Yes	Yes	Yes
Mr. Ravi Shanker Jalan	Non-Executive Director	Yes	Yes	Yes
Mr. Raman Chopra	Non-Executive Director	Yes	Yes	Yes
Mr. Neelabh Dalmia	Non-Executive Director	Yes	Yes	Yes

Note: Mr. Marshal R Sonavane, CEO (non-Board Member) of the Company is appointed as member of the Risk Management Committee w.e.f. April 01, 2026.

4. General Body Meeting:

a) Annual General Meetings: The last three Annual General Meetings (AGM) of the Company were held within the Statutory Time period and the details of the same are reproduced herein below:

Financial Year	Date	Time	Venue / Mode
2024-25	July 21, 2025	10.00 A.M.	Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)
2023-24	July 08, 2024	10.00 A.M.	Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)
2022-23	September 09, 2023	02.30 P.M.	Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)

(b) Details of Special Resolutions passed in previous three AGMs are as follows:

The information regarding Special Resolution passed in the previous three Annual General Meetings are as follows:

AGM No.	Date of AGM	Special Resolutions passed on AGM
5 th AGM	July 21, 2025	No Special Resolution proposed in the AGM. All the four ordinary resolutions were approved by the shareholders with requisite majority.
4 th AGM	July 08, 2024	Approval for conversion of loan into equity shares in case Company is in default of terms of loan agreement
3 rd AGM	September 09, 2023	(a) Appointment of Dr. Manoj Vaish (DIN: 00157082), as an Independent Director of the Company. (b) Appointment of Mrs. Vijaylaxmi Joshi, Ex-IAS (DIN: 00032055), as an Independent Director of the Company. (c) Appointment of Mr. Arun Kumar Jain, Ex-IRS (DIN: 07563704), as an Independent Director of the Company.

Shareholders received timely notices, allowing sufficient time for participation and informed decision-making. The agenda items were thoroughly discussed and voted upon, demonstrating the Company's dedication to legal compliance and meaningful shareholder engagement.

To maintain transparency and accountability, the minutes of each AGM were carefully documented and securely maintained, providing a comprehensive and accurate record of proceedings.

(c) Extraordinary General Meeting (EGM)

No Extra Ordinary Meeting (EGM) was held, during the previous three financial years.

(d) Special Resolution passed last year through Postal Ballot

During the financial year ended on March 31, 2026, the Company successfully passed one Special Resolution through postal ballot through remote e-voting for the appointment of Mr. Alok Raj, IRS(Retd.) as an Independent Director. Details of the postal ballot is given below.

Special Resolution:

- Approval for appointment of Mr. Alok Raj as an Independent Director of the Company.

Postal Ballot details:

Date of Notice of Postal Ballot: January 29, 2026

Cut-off date: Friday, February 06, 2026

Dispatch of Notice to Shareholder: Tuesday, February 10, 2026

Voting Period: Wednesday, February 11, 2026 at 09:00 a.m. (IST) to Thursday, March 12, 2026 at 05:00 p.m. (IST)

Date of Declaration of Result: Friday, March 13, 2026

Date of Approval: Thursday, March 12, 2026

Effective Date of Appointment: Wednesday, April 01, 2026

Summary of the voting pattern is as follows:

Item No.	Resolution	No. of Votes Polled	No. of Votes in favour	No. of Votes against	% of Votes Polled in favour	% of Votes Polled against
1	Approval for appointment of Mr. Alok Raj(DIN: 10390709), as an Independent Director of the Company (Special Resolution)	34704375	34693549	10826	99.97%	0.03

The resolution was approved by a requisite majority, demonstrating strong shareholder support. The Company ensured strict compliance with postal ballot provisions, fostering transparency and integrity in the process. By offering an e-voting option, the Company enhanced shareholder engagement.

Person who conducted the Postal Ballot exercise

Pursuant to the requirement of Companies Act, 2013 read with Rule 22(5) of the Companies (Management and Administration) Rules 2014, the Board in its meeting held on January 29, 2026 had appointed Mr. Manoj R. Hurkat, Practicing Company Secretary holding Membership No. F4287 and Certificate of Practice No. 2574 as the Scrutinizer for conducting the voting process through Postal Ballot /E-Voting in accordance with the law in a fair and transparent manner.

Procedure of Postal Ballot

In Compliance with the provisions of Section 110 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company completed the dispatch of Postal Ballot Notice on February 10, 2026 through e-mails to the Shareholders whose names appeared in the register of shareholders/list of beneficiaries as on cut-off date (i.e. Friday, February 06, 2026). The Company also published a notice in the newspapers intimating completion of dispatch of Notice and providing other information as mandated under the Act and applicable rules. Further, the Company also provided the facility of remote e-voting to the Members to cast their votes electronically, in accordance with Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations. Company had engaged the services of Central Depository Services Limited (CDSL) for providing the e-voting platform for its members to enable them to cast their votes electronically on the resolutions as set out in the Notice of Postal Ballot.

Mr. Manoj R. Hurkat, Scrutinizer, submitted his report on the result of Postal Ballot on March 12, 2026 and the result of Postal Ballot was announced on the Friday, March 13, 2026. The said result of postal ballot through e-voting were placed on the website of the Company and also communicated to Stock Exchanges, Depository and its Registrar and Share Transfer Agent. For further details on the above the Shareholders may visit the website of the Company www.ghcltextiles.co.in

Further, no resolution is proposed for approval of the members by way of Postal Ballot as on the date of this report.

- (e) **Outcome of 5th AGM:** The Notice for convening 5th AGM contained four Resolutions. All the four resolutions were passed by the Shareholders with the requisite majority by combined results of the Remote e-voting and e-voting at AGM.

5. Means of communication:

Publication of Quarterly / Half yearly Results and Related Matters							
Sr. No.	Particulars		Quarter I	Quarter II	Quarter III	Quarter IV	Financial Year ended March 31, 2026 (Audited)
1	English Newspapers in Which quarterly results were published / to be published	The Hindu - Business Line (all edition) The Economic Times (Ahmedabad edition)	July 30, 2025	November 03, 2025	January 30, 2026	May 01, 2026	May 01, 2026
2	Vernacular Newspapers in which quarterly results were published / to be published	Financial Express (Gujarati)	July 30, 2025	November 03, 2025	January 30, 2026	May 01, 2026	May 01, 2026
3	Website Address of the Company on which financial results are posted	www.ghcltextiles.co.in					
4	Website Address of the Stock Exchange(s) on which financial results are posted.						
	Name of Stock Exchange						
	National Stock Exchange of India Limited (NSE)	www.nseindia.com	July 29, 2025	November 02, 2025	January 29, 2026	April 30, 2026	April 30, 2026
	BSE Limited (BSE)	www.bseindia.com	July 29, 2025	November 02, 2025	January 29, 2026	April 30, 2026	April 30, 2026
5.	Presentation made to institutional investors or to the analysts	<p>During the financial year under review, the Company conducted conference calls and investor meetings on May 05, 2025, July 29, 2025, September 22, 2025, November 03, 2025, January 30, 2026 and March 09, 2026. These sessions served as a valuable platform for interactive discussions between the Company's management, investors, and analysts, covering financial performance, business updates, and strategic initiatives.</p> <p>Aligned with our commitment to transparency and effective communication, the Company promptly filed copies of presentations, transcripts, and audio recordings of these meetings with the relevant Stock Exchanges. These materials were also made available on the Company's official website, ensuring easy access for stakeholders.</p> <p>By facilitating open discussions and ensuring timely dissemination of information, the Company strengthened investor confidence and engagement. This proactive approach underscores our commitment to maintaining strong investor relations while upholding the highest standards of transparency and accountability.</p>					

6. General shareholder's Information:

GENERAL SHAREHOLDER INFORMATION				
Sl. No.	Particulars	Details		
1	Annual General Meeting	Saturday, June 27, 2026	10:00 AM	Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), as per the framework issued by the Ministry of Corporate Affairs (MCA) read with applicable circulars. Deemed venue of the Meeting is registered office of the Company i.e. "GHCL HOUSE", opp. Punjabi Hall, Navrangpura, Ahmedabad, Gujarat-380009
2	Financial Calendar			
	Financial Reporting for - Quarter - I (ending June 30, 2026)	By 2 nd week of August 2026		
	Financial Reporting for - Quarter - II (ending September 30, 2026)	By 2 nd week of November 2026		
	Financial Reporting for - Quarter - III (ending December 31, 2026)	By 2 nd week of February 2027		
	Financial Reporting for - Quarter - IV (ending March 31, 2027)	By 4 th week of May 2027		
	Financial Year of the Company is for a period of 12 months commencing from 1 st April and ending on 31 st March.			
3	Record Date / Cut-off Date	June 20, 2026 (for remote e-voting and to attend AGM and dividend)		
4	E-voting date	The e-Voting will be commences on Tuesday, June 23, 2026 at 09:00 AM and ends on Friday, June 26, 2026 at 05:00 PM through CDSL e-voting platform.		
5	Dividend Payment Date	Dividend of ₹ 0.60 (Sixty Paise) per share of face value ₹2 each i.e. 30% of the paid-up equity capital, will be paid on or after June 27, 2026 (Saturday)		
6	Listing on Stock Exchanges	Name & Address of Stock Exchanges	Stock Code	ISIN WITH NSDL & CDSL
		BSE Limited, (BSE) Phiroze Jeejeebhoy, Dalal Street, Mumbai - 400 001	543918	INE0PA801013
		National Stock Exchange of India Limited, (NSE) "Exchange Plaza", Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	GHCLTEXTIL	INE0PA801013

GENERAL SHAREHOLDER INFORMATION								
Sl. No.	Particulars	Details						
7	Corporate Identification Number (CIN)	L18101GJ2020PLC114004						
8	Listing fees:	Listing fee for all the aforesaid Stock Exchanges have been paid for the financial year ended March 31, 2026.						
9	Details of Registrar and Share Transfer Agent	MUFG Intime India Pvt. Ltd. (Formerly Link Intime India Private Limited), C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400083. Tel No: +91 8108116767 Fax: +91 22 49186060, (Email : rnt.helpdesk@in.mpms.mufg.com)						
10(a)	Outstanding GDRs / ADRs / Warrants or any convertible instruments:							
	The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2026, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.							
10(b)	In case the Securities are suspended from trading, the Directors report shall explain the reason thereof							
	Not applicable as securities of the Company not suspended for trading on any stock exchanges during the Financial Year 2025-26							
11	Commodity price risk or foreign exchange risk and hedging activities:							
	As per the SEBI Circular dated November 15, 2018 read with Clauses 9(n) & 9(g) of Part C to Schedule V of the Listing Regulation, disclosure regarding exposure of the Company to various commodities for the financial year ended on March 31, 2026, is as under:							
	a. Total exposure of the Company to commodities in ₹: ₹ 806.27 Crores							
	b. Exposure of the Company to various commodities:							
	Commodity Name	Exposure in ₹ (in crore)	Exposure in quantity terms (MT)	% of such exposure hedged through commodity derivatives				
				Domestic market		International Market		Total
				OTC	Exchange	OTC	Exchange	
	cotton	806.27	48,662	Nil	Nil	Nil	Nil	Nil
	c. Commodity risks faced by the listed entity during the year and how they have been managed							
	Senior management monitors commodity price risk and foreign exchange risk and based on the expert advice taken necessary step for its coverage / hedging as given below:							
	For Cotton: Company has a very robust and well proven policy of cotton sourcing. Most of the cotton procurement is done at the beginning of the season which starts from October onwards every year and covers almost 70-80% of its yearly requirement during October – March period where the quality of the cotton is the best and prices are generally on the lower side. The Company has adequate working capital arrangements in place to adhere to the above policy of cotton procurement every year.							

GENERAL SHAREHOLDER INFORMATION		
Sl. No.	Particulars	Details
	<p>Foreign Exchange risk & Hedging Activities by the Company for the FY 2025-26:</p> <p>Company has institutionalized arrangements for Monthly Operational Review / Quarterly review of the Forex Exposures of Import / Export / FTCL by the top management. The Exchange Risk on the above exposures is mitigated / managed by way of Hedging as explained below:</p> <p>Export Exposures</p> <p>The Company takes forward cover of around 50% to 65% of its export for the next 12 months on a continuous basis. Balance export proceeds are converted on the prevailing exchange rate. PCFC is availed for the export on regular basis.</p> <p>Import Exposures - Raw materials</p> <p>The Company follows the strategy for Hedging the Import Exposures. The Company takes the Forward Cover for the next 1-3 Months imports payables of raw-materials on a regular basis.</p> <p>Import Exposures – Capital Goods</p> <p>The company takes the Forward cover for the Capital goods import payments after the receipt of import documents and submission of acceptance to the bank.</p> <p>Import Exposures – Trading division</p> <p>The company takes the Forward cover for the Trading division import payments after the receipt of import documents and submission of acceptance to the bank.</p> <p>FTCL / FCNRB Exposures</p> <p>As a policy, the Company takes forward cover for the repayment of FTCL / FCNRB maturing next 3 Months basis.</p>	
12	<p>Address for Correspondence</p> <p>Share Transfer System: Company processes the share transfer and other related shareholders services through Registrar & Share Transfer Agent (RTA) on a weekly basis. The Company provides facility for simultaneous transfer and dematerialization of equity shares as per the procedures provided by NSDL/ CDSL. For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, or annual report or any other query relating to shares be addressed to MUFG Intime India Pvt. Ltd. (Formerly Link Intime India Private Limited, C101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083. Tel No: +91- 8108116767, Email: rnt.helpdesk@in.mpms.mufg.com</p> <p>RTA online system (SWAYAM)</p> <p>‘SWAYAM’ is a secure, user-friendly web-based application, developed by MUFG Intime India Pvt. Ltd. (Formerly Link Intime India Private Limited), our Registrar and Share Transfer Agents, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal. This application can be accessed at https://swayam.in.mpms.mufg.com/</p> <p>For General Correspondence:</p> <p>Registered office: GHCL Textiles Limited, "GHCL House" Opp. Punjabi Hall, Navrangpura, Ahmedabad-380009. Phone: 079-26427818, 26427519, Email: secretarial@ghcltextiles.co.in</p> <p>Corporate Office: GHCL Textiles Limited, "GHCL House" B-38, Institutional Area, Sector-1, Noida. Phone: 0120-4939900 Email: secretarial@ghcltextiles.co.in</p>	

GENERAL SHAREHOLDER INFORMATION		
Sl. No.	Particulars	Details
13	Dematerialization of Shares and Liquidity:	<p>As on March 31, 2026, 100% of the Company's equity shares representing 9,55,85,786 equity shares were in Demat form.</p> <p>Total paid-up capital of the Company as on March 31, 2026, amounts to ₹ 19,11,71,572/- divided into 9,55,85,786 equity shares of ₹ 2/- each.</p> <p>Pursuant to approved Scheme of Demerger effective from April 1, 2023, the Board of Directors of Resulting Company (GHCL Textiles Limited) in its meeting held on April 12, 2023 had issued and allotted 9,55,85,786 equity shares of ₹ 2/- each to a shareholder of Demerged Company (GHCL Limited) who were holding shares of demerged company as on cut-off date (i.e. April 08, 2023). Further as per approved Scheme and in compliance of SEBI guidelines, Company issued and allotted shares in Demat mode only and all the shares as per entitlement of physical shareholders were kept in a separate Escrow Suspense Account of the Company.</p> <p>Further Company also credited 10,90,366 equity shares of ₹ 2 in IEPF Account in respect of those shareholders who were holding shares in GHCL Limited and whose shares already transferred in IEPF account by GHCL Limited.</p> <p>Note:</p> <ol style="list-style-type: none"> 1. Procedure for claiming of shares from Suspense Escrow Demat Account is given in Board's Report and also available on the website of the Company at https://ghcltextiles.co.in/claim-procedure-physical-shares 2. Procedure for claiming of shares from IEPF is given in Board's Report and also available on the website of the Company at https://ghcltextiles.co.in/claim-procedure-iepf
14		As required under Regulation 36(3) of the Listing Regulations, particulars of Directors seeking appointment/ re- appointment are given in Notice to the ensuing Annual General Meeting.

7. Corporate Benefits to Shareholders

Company had paid dividend of ₹ 0.50 (Fifty Paise) per equity share of ₹ 2/- each, (i.e. 25% on the paid-up equity share capital of the Company) for the FY 2023-24 and FY 2024-25. Further, Board had recommended divided of ₹ 0.60 (Sixty Paise) per shares for FY 2025-26, subject to shareholders approval.

8. Shareholders Reference

A. Distribution of Shareholding as on March 31, 2026

No. of Shares held of ₹ 2/- each between		Number of Shareholders	% of Total Shareholders	Total Shares for The Range	% of Issued Capital
From	To				
1	500	53927	86.53%	5959064	6.23%
501	1000	4054	6.50%	3255071	3.41%
1001	2000	1931	3.10%	2895951	3.03%
2001	3000	688	1.10%	1771009	1.85%
3001	4000	321	0.52%	1147325	1.20%
4001	5000	292	0.47%	1385672	1.45%
5001	10000	506	0.81%	3690347	3.86%
10001	above	601	0.97%	75481347	78.97%
Total=		62320	100%	95585786	100%

B. Shareholding Pattern as on March 31, 2026

S. No.	Category	No. of shares held	% of share holding
A	Promoters & Promoters Group Holding		
1	Promoters		
	Indian Promoters	1,28,45,736	13.44%
	Foreign Promoters	55,07,900	5.76%
2	Others	0	0.00%
	Sub-Total	1,83,53,636	19.20%
B	Non-promoters Holding		
3	Institutional Investors		
	Mutual Funds	40,46,525	4.23%
	Banks, Financial Institutions	200	0.00%
	Insurance Companies (including LIC ASM Non-Par)	7,41,598	0.78%
	Foreign Portfolio Investors (including FIIs)	1,28,40,984	13.43%
	Alternate Investment Funds	0	0.00%
	Sub-Total	1,76,29,307	18.44%
4	Non-institutional Investors		
	Bodies Corporate	1,34,20,618	14.04%
	NBFC registered with RBI	1250	0.00%
	Indian public (Individuals & HUF)	3,86,80,170	40.47%
	NRIs & Foreign Companies	16,98,094	1.78%
	Government Companies (i.e. IEPF)	10,88,666	1.14%
	Directors & their relatives	8,51,830	0.89%
	GHCL Textiles Limited Suspense Escrow Account	18,86,991	1.97%
	Any Others (Trusts, Clearing Members, Body Corp-Ltd Liability Partnership and Central & State Government)	19,75,224	2.07%
	Sub-Total	5,96,02,843	62.36%
	Grand Total	9,55,85,786	100.00%

9. Plant Locations:

- Plant:**
- (a) Paravai, Samayanallur P.O, Madurai, Tamil Nadu – 625402
 - (b) Thiagesar Alai P.O, Manaparai, Trichy, Tamil Nadu – 621312

10. Management Discussion and Analysis Report form part of this Annual Report

The complete reports on Management Discussion and Analysis report are placed in the separate section of the Annual Report.

11. Disclosures:

11.1 Disclosure on materially significant related party transactions that may have potential conflict with the interests of Company at large

There were no Related Party transactions of significant material nature that have a potential conflict with the interest of Company at large. During the Financial Year 2025-26, all the Related Party transactions entered into were in the normal course of business and at arms-length basis. The Company has ensured that no transactions of a material nature have been entered into with its promoters, Directors, or management, or their relatives that could potentially create a conflict of interest.

To maintain transparency, the management provides details of related party transactions on a quarterly basis, following the guidelines of Ind-AS. The Annual Report contains comprehensive information on the transactions between the Company and related parties, which are disclosed in the notes to the accounts.

11.2 Details of non - compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on the matter related to capital markets, during the last three years.

There have been no non-compliances and no penalties/strictures have been imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the Financial Year 2023-24, 2024-25 and 2025-26.

11.3 Vigil mechanism

In terms of Section 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to establish a Vigil Mechanism for its Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct or Ethics Policy.

In compliance with the above requirements, GHCL Textiles Limited has established a Vigil Mechanism, the framework for which is embodied in the Company's Whistle Blower Policy made effective from January 02, 2023. The Vigil Mechanism provides a structured, secure, and confidential channel for Directors, employees, and other stakeholders to report genuine concerns or instances of misconduct without fear of retaliation, victimisation, or any adverse consequences. Adequate safeguards are in place to protect persons who avail of the Vigil Mechanism and report concerns in good faith. The Vigil Mechanism and the Whistle Blower Policy have been appropriately communicated within the organisation and the Policy is available on the Company's website at www.ghcltextiles.co.in.

The Vigil Mechanism ensures that:

- any Director or employee may directly access the Chairperson of the Audit Committee in exceptional cases, bypassing the normal reporting hierarchy;
- the identity of the person availing the Vigil Mechanism is protected to the extent possible and consistent with the need to conduct a fair investigation; and
- the Audit Committee oversees the functioning of the Vigil Mechanism and receives periodic updates on complaints received, investigated, and resolved thereunder.

The details of person with whom complaints can be filed:

Mr. Ravi Shanker Jalan

Non- Executive Director and Ombudsman for Whistle Blower Policy

Email: rsjalan@ghcltextiles.co.in

Mr. C. R. Rajagopal

Chairman - Audit Committee

Email: cbecrr@gmail.com

Mr. Marshal R Sonavane - CEO

Email: marshalsonavane@ghcltextiles.co.in

Mr. Lalit Narayan Dwivedi – Company Secretary

Email: lalitdwivedi@ghcltextiles.co.in

In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he or she can make a direct appeal to the Chairman of the Audit Committee.

During the financial year 2025-26, the Company has not received any complaint under Vigil Mechanism /Whistle Blower Policy.

11.4 Disclosures regarding web link of the Company

Policy for determining material subsidiaries and posted on Company's website (<https://ghcltextiles.co.in/wp-content/uploads/2023/02/Policy-for-Determining-Material-subsiadiary.pdf>) and RPT Policy on materiality and dealing with related party of the Company are posted on the Company's website (<https://ghcltextiles.co.in/wp-content/uploads/2023/02/Policy-for-Related-Party-Transactions.pdf>).

11.5 Details of compliance with mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and adoption of the non- mandatory requirements of Regulation 27(1) of the Listing Regulations.

The Company diligently adheres to all mandatory provisions of Corporate Governance as prescribed by the Listing Regulations and other applicable provisions. Furthermore, the Company is committed to maintaining compliance with non-mandatory requirements outlined in Regulation 27(1) in conjunction with Part- E of Schedule II of the Listing Regulations. By doing so, the Company aims to foster a strong corporate governance framework that ensures transparency, accountability, and protection of stakeholders' interests.

The status of compliance with requirements of Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

- (a) **The Board:** A non-executive Chairman may be entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his / her duties. The Company is having non-executive Chairman. The Company does not incur expenses for maintaining Chairman's office. The Company also have a Woman Director on the Board.
- (b) **Shareholders' Rights:** As the half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders. The Company publishes its half-yearly (including quarterly) financial performance in newspapers, providing wider access to this information. These financial updates are also promptly posted on the Company's website, allowing shareholders and other interested parties to access the information easily.

Furthermore, the Company diligently reports significant events to the stock exchanges in a timely manner, as required by regulatory obligations. This proactive approach to disclosure ensures that shareholders and the market are promptly informed about material developments that may impact the Company's operations or financial position.

By adopting multiple communication channels, including newspaper publications, website postings, mass email services, and stock exchange notifications, the Company strives to provide comprehensive and accessible information to its shareholders, promoting transparency and fostering trust among its stakeholders

- (c) **Modified opinion(s) on Audit Reports:** During the period under review, there is no audit qualifications in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements. Report of Auditors are free from any qualifications, remark, hence no further comments required from the Directors.
- (d) **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** During the period under review, the Company is in compliance with the requirement of separate posts of Chairperson and Chief Executive Officer.
- (e) **Reporting of Internal Auditor:** Company has engaged Independent Internal Auditor, ensuring a robust internal audit function. The Internal Auditors submit their reports to the Audit Committee.
- (f) **Independent Directors:** During the financial year 2025-26, a separate meeting of the Independent Directors of the Company was held on April 15, 2025 for evaluation purposes and all the Independent Directors were present at such meeting. Said meeting was held without the presence of non-independent Directors and members of the management except Company Secretary who attended to assist the Independent Directors. This requirement with respect to holding at least two meetings of the Independent Directors in a financial year, is effective from December 12, 2024 and the Company shall endeavour to opt this non-mandatory requirement in coming year.
- (g) **Risk Management:** Company duly constituted the Risk Management Committee in terms of Regulation 21 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

11.6 Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under regulation 32(7A).

This clause is not applicable to the Company as the Company has not raised any funds through preferential allotment and /or QIP during the reporting financial year.

11.7 Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part.

Details of total fees paid by the Company to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, have been given under the Statement of Profit and Loss of the Company as Notes no. 28A which is reproduced here in under:

Particulars	Amount (₹ in Crore)
Fees to S.R. Batliboi & Co LLP: (Audit fee+ Limited review)	0.58
Other services (certification)	0.06
Fees for Other related services paid to S.R. Batliboi & Affiliates firms and to entities of the network of which the statutory auditor is a part	--
Out of Pocket Expenses	0.01
Total Fees	0.65

11.8 The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

GHCL Textiles Limited is in compliance of the corporate governance requirements outlined in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015. The Company adheres to these regulations to ensure transparency, accountability, and the protection of stakeholders' interests. By complying with these governance standards, Company maintains a strong foundation of corporate governance practices that contribute to its overall success.

The Company is fully compliant with all the requirements of Corporate Governance Report as stated in sub para (2) to (10) of Schedule V of Listing Regulations.

11.9 Certificate from a Company Secretary in practice that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory authority.

GHCL Textiles Limited has obtained a certificate from Chandrasekaran Associates, Company Secretaries, who serve as the Secretarial Auditor of the Company. The certificate confirms that none of the Directors on the board of the Company have been debarred or disqualified from holding directorship by SEBI, Ministry of Corporate Affairs, or any other relevant statutory authority. This certificate is attached as an annexure to this Report, further demonstrating the Company's commitment to upholding corporate governance standards and ensuring the suitability and eligibility of its Directors.

11.10 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As per Section 134(3) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014, a "Statement that the Company has complied with the provisions related to Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)" has to be included in the Board's Report.

In accordance with the above-mentioned provisions of POSH, the Company is in compliance with and has adopted the "Policy on Prevention of Sexual Harassment of Women at Workplace" and matters connected therewith or incidental thereto covering all the related aspects. The constitution of ICC is as per the provisions of POSH and includes external Members from NGO or those individuals having relevant experience.

The Committee meets as and when required and provides a platform for female employees for registration of concerns and complaints, if any.

During the year under review i.e. Financial Year 2025-26, three meetings of the Committee and six awareness sessions were held across all manufacturing locations to discuss on strengthening the safety of employees at workplace.

In addition, the awareness about the Policy and the provisions of Prevention of Sexual Harassment Act was also carried out in the said meetings. Further, as per the applicable provisions of POSH, the Company continues to submit Annual Report to the District Officer consisting of details as stipulated under the said Act.

We are pleased to inform you that no complaints related to sexual harassment were reported during the year under the POSH Act.

11.11 Disclosure by the Company and its subsidiary of ‘Loans and advances in the nature of loans to firms/ companies in which Directors are interested by name and amount’.

Company was not given any loans or advances in the nature of loans to firms/companies in which Directors are interested during the Financial year 2025-26.

11.12 Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

There is no subsidiary of the Company, hence this disclosure is not applicable upon the Company for the financial year 2025-26.

11.13 The disclosure about Directors and Officers (D & O) Liability Insurance in line with the requirement of Regulation 25 (10) of the SEBI (LODR) Regulations, 2015.

Provisions of Regulation 25(10) of the Listing Regulations, is applicable upon the top 1000 listed entities by market capitalization calculated as on March 31 of the preceding financial year. The Company takes an appropriate Directors’ and Officers’ Liability Insurance Policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire period of the Directors including Independent Directors, subject to the terms of such policy in force from time to time.

11.14 Non-Compliance of any requirement of Corporate Governance Report of sub paras (2) to (10) of Schedule V of Listing Regulations, with reasons thereof shall be disclosed.

The Company is fully compliant with all the requirements of Corporate Governance Report as stated in sub paras (2) to (10) of Schedule V of Listing Regulations.

11.15 Disclosures related to demat suspense account/ unclaimed suspense account

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the Company reports the following details in respect of the equity shares lying in the suspense Escrow Demat account of the Company:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate Number of Shareholders and shares in Suspense Escrow Account at the beginning of the financial year i.e. as on April 1, 2025.	8,150	19,15,043
Less: Number of Shareholders who claimed and to whom shares from suspense Account credited during the financial year 2025-26	107	28052
Number of Shareholders and outstanding shares lying in Suspense Escrow Account at the end of the financial year i.e. as on March 31, 2026	8,043	18,86,991
Voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares.		

11.16 Particulars of Senior Management

S. No	Name of Senior Management and Functional Head	Designation
1	Mr. Marshal R Sonavane	CEO
2	Mr. M. Parasuraman	CFO
3	Mr. N Rajagopal	Vice President - Technical
4	Mr. Satish Kumar R.	Head- operations
5	Mr. Lalit Narayan Dwivedi	Company Secretary

During the Financial Year 2025-26, following changes occurred in the senior management of the Company:

S. No	Name of Senior Management and Functional Head	Designation	Particular of Changes	Effective date of change
1	Mr. Marshal R Sonavane	CEO	Appointment	01.06.2025
2	Mr. M. Parasuraman	CFO	Appointment	29.05.2025
3	Mr. Ramesh Babu D	Vice President	Resignation	30.04.2025
4	Mr. R Balakrishnan	CEO	Superannuation	31.05.2025

12. Code of Conduct to Regulate, Monitor and Report Trading by Designate Persons.

In compliance with the SEBI regulation on prevention of Insider Trading, the Company has placed a comprehensive code of conduct for its Directors, designated employees of the Company and their immediate relatives. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations. Subsequently, the Company has its code in line with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct to Regulate, Monitor and Report Trading by Designate Persons is posted on the website of the Company <https://ghcltextiles.co.in/wp-content/uploads/2023/02/Code-of-Conduct-for-to-Regulate-Monitor-and-Report-by-Designated-Persons.pdf>

The Company has implemented automated track in system for effective administration and monitoring of trading by insiders in the shares of the Company. There is system generated report prepared by service provider after comparing with benepos report. Automatic email sent to respective employees for giving them instructions that they should not indulge in counter transaction within the prohibited time period.

13. Disclosure of certain types of agreements binding listed entities.

Please note that there is no agreement (which are binding to the Company) disclosed under clause 5A of paragraph A of Part A of Schedule III to the Listing Regulations.

14. Code of Conduct

GHCL Textiles Limited has established a comprehensive policy framework to guide the ethical and professional conduct of its Board Members and Senior Management. The Company's Code of Conduct outlines the fundamental ethical values, responsibilities, and standards of professional behavior expected while performing their duties. It emphasizes integrity, transparency, accountability, and fairness in all business activities.

The Code incorporates both general ethical principles and specific guidelines to ensure responsible decision-making and adherence to good corporate governance practices. GHCL Textiles Limited also ensures regular compliance with this Code, and all Board Members and Senior Management confirm their adherence annually. These confirmations are formally disclosed in the Company's Annual Report, reflecting the Company's commitment to maintaining high standards of ethics and governance.

In addition to the aforementioned policy, Company has also adopted a "Code of Conduct for employees and other stakeholders." This code sets the highest standards for personal and professional integrity, honesty, and ethical conduct, guiding employees and stakeholders in their actions. The Code of Conduct is also posted on the website of the Company: <https://ghcltextiles.co.in/wp-content/uploads/2023/02/Code-of-Conduct-for-Employees-and-Other-Stakeholders.pdf>

15. Functional website of the Company as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Pursuant to the requirement of Regulation 46 of the Listing Regulations, the Company maintains a functional website of the Company and website address of the Company is www.ghcltextiles.co.in. Website of the Company provides the basic information about the Company e.g. details of its business, financial information, various policies, shareholding pattern & other details relevant to the shareholders and the Company is regularly updating the Information provided on its website.

16. Share Capital & Reconciliation of Share Capital Audit

A qualified practicing Company Secretary conducts quarterly audits to reconcile the Company's total admitted capital with National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL), as well as the total issued and listed capital. The purpose of this audit is to ensure that the total issued/paid-up capital aligns with the combined number of shares in physical form and the number of dematerialized shares held with NSDL and CDSL.

These audits are performed to validate and confirm the accuracy of the Company's capital structure, ensuring that the recorded capital matches the shares held in both physical and dematerialized form.

The qualified practicing Company Secretary's audit provides assurance that the Company's total admitted capital is in accordance with the aggregate number of shares in physical form and dematerialized shares held with NSDL and CDSL. This diligent process helps to maintain accurate records and inculcates confidence among stakeholders regarding the Company's capital position.

17. Unclaimed/Unpaid Dividends

Pursuant to the provisions of Section 124 & 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Dividend which remains unclaimed/unpaid for a period of 7 years from the date of transfer to the Unpaid Dividend Account shall be transferred to Investor Education and Protection Fund (IEPF). This provision is not applicable upon the Company as Company started its business operation from April 01, 2023 and Company had paid dividend only for the financial year 2023-24 and 2024-25.

18. List of all Credit Ratings (along with revisions) obtained by the Company during the financial year ended on March 31, 2026:

During the financial year 2025-26, Company had received Credit rating for bank facilities issued by CARE Ratings Limited, one of the Credit Rating Agency to the Company on January 09, 2026 and assigned following ratings to the Company.

Facilities	Amount (₹ in crore)	Rating	Rating Action
Long Term / Short Term Bank Facilities	500.00	CARE A; Stable / CARE A1	Upgraded from CARE A-; Stable / CARE A2+
Short Term Bank Facilities	100.00	CARE A1	Upgraded from CARE A2+
Long Term Bank Facilities	0.00	Withdrawn	Withdrawn
Total Facilities	600.00		

19. Compliance Management System

We believe in conducting business legally and ethically, and our actions reflect our commitment to these principles. To ensure comprehensive compliance, we have implemented an online Compliance Management System that monitors adherence to applicable laws. The Board regularly reviews compliance reports to uphold our robust compliance framework. By prioritizing compliance, we foster trust among stakeholders and promote sustainable growth.

20. CEO/CFO CERTIFICATE

The Chief Executive Officer and Chief Financial Officer have furnished the requisite certificate to the Board of Directors pursuant to Regulation 17(8) of the Listing Regulations which forms part of this Report.

DECLARATION

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company, which is posted on the website of the Company. The Board Members and Senior Management Personnel have affirmed to the compliance with the Code of Conduct for the financial year ended on March 31, 2026.

For GHCL TEXTILES LIMITED

**Sd/
Marshal R Sonavane
CEO**

**Sd/
M. Parasuraman
CFO**

Date: April 30, 2026

Place : Madurai

CERTIFICATE UNDER REGULATION 17 (8) OF THE SEBI (LODR) REGULATIONS, 2015

The Board of Directors GHCL Textiles Limited

We, the undersigned certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2026 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and follow existing accounting standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee-
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For GHCL TEXTILES LIMITED

**Sd/
Marshal R Sonavane
CEO**

**Sd/
M. Parasuraman
CFO**

Date: April 30, 2026
Place : Madurai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members

GHCL Textiles Limited

GHCL House Opp. Punjabi Hall, Navrangpura
Ahmedabad, Gujarat-380009

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GHCL Textiles Limited and having CIN L18101GJ2020PLC114004 and having registered office at GHCL House Opp. Punjabi Hall, Navrangpura, Ahmedabad, Gujarat-380009 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of director	DIN	Original Date of appointment in Company
1.	Mr. Ravi Shanker Jalan	00121260	17/06/2020
2.	Mr. Neelabh Dalmia	00121760	17/06/2020
3.	Mr. Raman Chopra	00954190	17/06/2020
4.	Mr. Anurag Dalmia	00120710	01/04/2024
5.	Justice Ravindra Singh*	08344852	01/04/2024
6.	Mrs. Sudha Pillai	02263950	01/03/2025
7.	Mr. Virusangulaam Kumarasamy Jeyakodi	03636599	01/03/2025
8.	Mr. Chathamur Raman Rajagopal	08853688	01/03/2025

* Justice Ravindra Singh completed his tenure as an Independent Director of the Company w.e.f. closure of March 31, 2026.

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

For Chandrasekaran Associates,
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 6689/2025

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302H000220880

Date: April 30, 2026

Place: Delhi

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of GHCL Textiles Limited
GHCL House, Opp: Punjabi Hall, Navrangpura
Ahmedabad 380009

1. The Corporate Governance Report prepared by GHCL Textiles Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2026 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2026 and verified that at least one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following meetings of board of Directors / committee meetings / other meetings held from April 01, 2025 to March 31, 2026:

- (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Risk Management Committee;
 - (g) Banking & Operations Committee;
 - (h) Separate Meeting of Independent Directors;
 - (i) Corporate Social Responsibility (CSR) Committee
- v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2026, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance 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 or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey

Partner

Membership Number: 502220

UDIN: 26502220RHYPMB3642

Place of Signature: Noida

Date: April 30, 2026

Independent Auditor's Report

To the Members of GHCL Textiles Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of GHCL Textiles Limited (“the Company”), which comprise the Balance sheet as at March 31, 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 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 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 March 31, 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 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 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
(a) Revenue Recognition (as described in note 2.2(c) and note 21 of the financial statements)	
<p>Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.</p> <p>The Company has generally concluded that as principal, it typically controls the goods before transferring them to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. There is a risk that revenue could be recognised in the incorrect period for sales transactions occurring on and around the year end therefore revenue recognition has been identified as a key audit matter</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We assessed whether the Company's revenue recognition policy is in compliance with Ind AS 115 'Revenue from contracts with customers'. • We assessed the design, implementation and the operating effectiveness of management's process of recognising the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers. • We performed tests of details of sales transaction based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. • We also performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that revenue and corresponding trade receivables are properly recorded in the correct period.

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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 and Those Charged with Governance for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the 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, 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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and 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 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) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;
 - (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
 - (i) 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 financial statements – Refer note 33 to the 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, as disclosed in note 41 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as disclosed in note 41 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures 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 (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the Company has used accounting software (SAP) for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software except the audit trail is not enabled for direct changes to database using certain access rights till 6th May 2025, as described in Note 43 to the financial statements. Wherever audit trail is enabled, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of accounting software. Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 43 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey

Partner

Membership Number: 502220

UDIN: 26502220QYGDQX9044

Place of Signature: Noida

Date: April 30, 2026

ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

Re: GHCL Textiles Limited (“the Company”)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
 - (b) All property, plant and equipment except freehold land have been physically verified by the management during the year and no material discrepancies were identified on such verification. In case of certain freehold land for which physical verification was carried out, the management is in the process of reconciling the quantitative details with the financial records/fixed assets register and hence, pending completion of such reconciliation, the impact of discrepancies, if any, on the financial statements is not presently ascertainable..
 - (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) and immovable properties (freehold land and buildings) which were acquired pursuant to the Scheme of Arrangement approved by the National Company Law Tribunal (“NCLT”) vide its order dated February 8, 2023 are held in the name of the Company, however, the Company is currently in the process of completing the mutation for each individual land parcel in the relevant land records. The NCLT order was filed by the Company with the Registrar of Companies on April 1, 2023.
 - (d) The Company has not revalued its property, plant and equipment or intangible assets during the year ended March 31, 2026. The Company does not have right of use assets.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties and goods in transit. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2026 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations and on physical verification of inventories. In respect of goods in-transit, subsequent evidence of receipts/delivery acknowledgement/bill of lading has been verified with inventory/sales records.
- (b) As disclosed in note 16B to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company does not have sanctioned working capital limits in excess of ₹ five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year the Company has provided loans to employees as follows:

(₹ In Crores)

Particulars	Amount
<ul style="list-style-type: none"> • Aggregate amount granted/ provided during the year <ul style="list-style-type: none"> - Loan to Employees 	0.51
<ul style="list-style-type: none"> • Balance outstanding as at balance sheet date in respect of above case <ul style="list-style-type: none"> - Loan to Employees 	0.37

During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties.

- (b) During the year the terms and conditions of the grant of all loans to employees are not prejudicial to the Company's interest. During the year the Company has not made investment, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (c) The Company has granted loans during the year to employees where the schedule of repayment of principal has been stipulated and the repayment or receipts are regular. During the year the Company has not granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (d) There are no amounts of loans granted to employees which are overdue for more than ninety days. The Company has not granted loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans granted to employee which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. The Company has not granted loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (f) 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 to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Investment in respect of which provisions of Section 186 of the Companies Act, 2013 is applicable have been complied with by the Company. There are no loans, investments, guarantees, and security in respect of which provisions of Section 185 of the Companies Act, 2013 is applicable and there are no guarantees and there are no loans, security and guarantee in respect of which provisions of Section 186 of the Companies Act, 2013 is 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, related to the manufacture of Textile products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. 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. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.
- (b) The dues of employees' state insurance and goods and service tax, that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Demand raised (Amount in ₹ Crore)	Amount paid under protest (in ₹ Crore)	Period to which the amount relates	Forum where dispute is pending
The Employee's State Insurance Act, 1948	Contribution Demand	0.09	-	F.Y. 2003-04 and 2004-05	High Court (Madurai Bench), Tamil Nadu
The Employee's State Insurance Act, 1948	Contribution Demand	0.03	-	F.Y. 1989-2002	ESI Court, Madurai, Tamil Nadu
GST Act, 2017	Penalty for improper documentation under GST	0.28	-	FY 2018-19	Commercial Tax Officer, Madurai, Tamil Nadu
CGST Act, 2017	GST Demand on account of discrepancies in returns	0.22	-	FY 2019-20	Commercial Tax Officer, Madurai, Tamil Nadu

There are no dues of provident fund, income tax, customs duty, cess and other statutory dues which have not been deposited on account of any dispute. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

- (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) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) and (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, 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) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a), (b) and (c) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 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) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) and (d) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) and 3(xvi)(d) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

- (xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 28b to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 28B to the financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey
Partner
Membership Number: 502200
UDIN: 26502220QYGDQX9044

Place of Signature: Noida
Date: April 30, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GHCL TEXTILES 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 financial statements of GHCL Textiles Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls

with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey

Partner

Membership Number: 502200

UDIN: 26502220QYGDQX9044

Place of Signature: Noida

Date: April 30, 2026

Balance Sheet as at March 31, 2026

(₹ in crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
I. Assets			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,189.88	1,024.91
(b) Capital work-in-progress	3	1.89	155.01
(c) Intangible assets	4	0.22	0.22
(d) Financial assets			
(i) Investments	5A	1.21	0.61
(ii) Loans	6A	0.12	0.03
(iii) Other financial assets	6B	13.10	15.26
(e) Non current tax assets (net)	12	0.69	0.39
(f) Other-non current assets	7	28.61	35.34
Total non-current assets		1,235.72	1,231.77
(2) Current assets			
(a) Inventories	8	421.12	295.19
(b) Financial assets			
(i) Investments	5B & C	12.94	-
(ii) Trade receivables	9	170.59	117.29
(iii) Cash and cash equivalents	10A	0.69	2.22
(iv) Bank balances other than cash and cash equivalents	10B	3.81	2.84
(v) Loans	11A	0.25	0.15
(vi) Derivative instruments	11B	1.18	-
(vii) Other financial assets	11C	4.03	20.21
(c) Other current assets	13	19.87	27.29
Total current assets		634.48	465.19
Assets held for sale	3, 42	0.23	5.88
Total assets		1,870.43	1,702.84
II. Equity and Liabilities			
Equity			
(a) Equity share capital	14	19.12	19.12
(b) Other equity	15	1,483.37	1,418.26
Total equity		1,502.49	1,437.38
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16A	-	2.73
(b) Deferred tax liabilities (net)	12	140.15	131.81
Total non-current liabilities		140.15	134.54
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16B	134.22	60.60
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	18	15.69	4.73
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	47.29	37.04
(iii) Derivative instruments	19A	-	0.00
(iv) Other financial liabilities	19B	11.60	17.08
(b) Contract liabilities	21.2	10.85	1.49
(c) Other current liabilities	20	4.30	8.08
(d) Provisions	17	3.84	1.90
Total current liabilities		227.79	130.92
Total Liabilities		367.94	265.46
Total equity and liabilities		1,870.43	1,702.84

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

Sd/-
per Sonika Loganey

Partner

Membership No. 502220

Place : Noida

Date: April 30, 2026

For and on behalf of the Board of Directors of

GHCL Textiles Limited (CIN : L18101GJ2020PLC114004)

Sd/-
Anurag Dalmia
Chairman
DIN: 00120710

Sd/-
Marshal Sonavane
(Chief Executive officer)

Sd/-
Parasuraman M
(Chief Financial officer)

Sd/-
C. R. Rajagopal
Non-Executive Director
DIN: 08853688

Place : Noida
Date: April 30, 2026

Sd/-
Lalit N. Dwivedi
(Company Secretary)
Membership No. FCS10487

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

(₹ in crores)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	21	1,318.60	1,161.16
Other income	22	16.20	6.96
Total Income		1,334.80	1,168.12
Expenses			
Cost of raw materials consumed	23	882.56	773.48
Purchase of stock in trade		15.28	3.77
(Increase)/Decrease in inventories of finished goods, stock-in-trade and work-in-progress	24	(6.19)	7.52
Power, fuel and water		77.99	73.47
Employee benefit expenses	25	82.03	74.42
Finance costs	26	5.25	2.74
Depreciation and amortization expense	27	57.90	50.65
Other expenses	28	127.02	118.78
Total expenses		1,241.84	1,104.83
Profit before tax		92.96	63.29
Tax expenses:			
Current tax		13.87	4.17
Current tax adjustment for earlier years		0.21	0.09
Deferred tax charge		8.51	3.06
Total tax expenses		22.59	7.32
Profit for the year		70.37	55.97
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement gain/ (loss) on defined benefit plans		(0.64)	0.57
Income tax effect		0.16	(0.14)
Other comprehensive income/ (loss) for the year, net of tax	29	(0.48)	0.43
Total comprehensive income for the year, net of tax		69.89	56.40
Earnings per equity share nominal value of shares ₹ 2 each (Previous year ₹ 2 each)			
Basic and Diluted (₹)	30	7.36	5.86

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

Sd/-
per Sonika Loganey
Partner
Membership No. 502220
Place : Noida
Date: April 30, 2026

For and on behalf of the Board of Directors of
GHCL Textiles Limited (CIN : L18101GJ2020PLC114004)

Sd/-
Anurag Dalmia
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Marshal Sonavane
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(Chief Financial officer)

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C. R. Rajagopal
Non-Executive Director
DIN: 08853688
Place : Noida
Date: April 30, 2026

Sd/-
Lalit N. Dwivedi
(Company Secretary)
Membership No. FCS10487

Statement of cash flows for the year ended March 31, 2026

(₹ in crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from Operating activities		
Profit before tax	92.96	63.29
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortisation expenses	57.90	50.65
Profit on sale of current investments	(0.23)	(2.76)
Impairment loss on trade receivables/ Capital advances	1.58	0.23
Gain on sale/disposal of property, plant and equipment (net)	(8.59)	(0.10)
Interest income	(0.94)	(1.10)
Finance costs	5.25	2.74
Corporate social responsibility expense incurred in kind	0.66	0.55
Unrealised exchange gain/(loss) (net)	(1.96)	0.50
Operating profit before working capital changes	146.63	114.00
Working capital adjustments		
Adjustments for (increase)/decrease in Operating assets:		
Trade receivables	(52.03)	(0.50)
Inventories	(125.93)	52.14
Other current financial assets	15.11	(11.06)
Non-current financial assets	2.07	(0.29)
Other current and non - current assets	4.49	(5.36)
Adjustments for Increase/(decrease) in Operating liabilities:		
Contract liabilities	9.36	(3.53)
Trade payables	21.21	16.15
Other current financial liabilities	(0.13)	2.11
Other current liabilities	(3.78)	2.02
Provisions	1.94	(0.11)
Cash flow generated from operations	18.94	165.57
Income tax paid (net)	(14.39)	(3.41)
Net cash flow generated from operating activities (A)	4.55	162.16
Cash flow from investing activities		
Payment for purchase of property, plant and equipment, capital work in progress and intangible assets (Including capital advances and capital creditors)	(67.93)	(158.18)
Proceeds from sale of property, plant and equipment	9.61	0.43
Proceeds from sale of assets held for sale	5.15	-
Proceeds from sale of current investments	219.11	230.96
Purchase of current investments	(230.14)	(228.20)
Purchase of non-current investments	(2.27)	-
Proceeds from sale of non-current investments	-	1.22

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Proceeds from maturity of bank deposits not considered as cash and cash equivalents	3.20	6.40
Investment in bank deposits not considered as cash and cash equivalents	(4.17)	(7.58)
Interest received	1.90	0.96
Net cash flow (used in) investing activities (B)	(65.54)	(153.99)
Cash flow from financing activities		
Dividend paid	(4.78)	(4.78)
Proceeds from short term borrowings	390.04	36.73
Repayment of short-term borrowings	(313.89)	-
Repayment of long-term borrowings	(7.15)	(45.43)
Interest paid	(4.76)	(2.77)
Net cash flow from/(used in) financing activities (C)	59.46	(16.25)
Net (decrease) in cash and cash equivalents (D = A+B+C)	(1.53)	(8.08)
Cash and cash equivalents at the beginning of the year (E)	2.22	10.30
Cash and cash equivalents at the end of the year (D+E)	0.69	2.22
Components of cash and cash equivalents (Refer Note 10A)		
Cash on hand	0.01	0.02
Balances with banks:		
- On current accounts	0.68	2.20
Total cash and cash equivalents (Refer Note 10A)	0.69	2.22

Note:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
2. Refer Note 10B for Change in liabilities arising from financing activities.

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

Sd/-

per Sonika Loganey

Partner

Membership No. 502220

Place : Noida

Date: April 30, 2026

For and on behalf of the Board of Directors of

GHCL Textiles Limited (CIN : L18101GJ2020PLC114004)

Sd/-

Anurag Dalmia

Chairman

DIN: 00120710

Sd/-

C. R. Rajagopal

Non-Executive Director

DIN: 08853688

Place : Noida

Date: April 30, 2026

Sd/-

Marshal Sonavane

(Chief Executive officer)

Sd/-

Lalit N. Dwivedi

(Company Secretary)

Membership No. FCS10487

Sd/-

Parasuraman M

(Chief Financial officer)

Statement of changes in equity for the year ended March 31, 2026

(₹ in crores)

A. Equity share capital

For the year ended March 31, 2026

Equity shares of ₹ 2 each issued, subscribed and fully paid up

Particulars	Number of shares	Amount
As at April 01, 2025 (Refer Note 14)	9,55,85,786	19.12
Add: Changes during the year	-	-
Balance as at March 31, 2026 (Refer Note 14)	9,55,85,786	19.12

For the year ended March 31, 2025

Equity shares of ₹ 2 each issued, subscribed and fully paid up

Particulars	Number of shares	Amount
As at April 01, 2024 (Refer Note 14)	9,55,85,786	19.12
Add: Changes during the year	-	-
Balance as at March 31, 2025	9,55,85,786	19.12

B. Other equity

Particulars	Reserves and Surplus (Refer note 15)			Total Other Equity
	Capital reserve (A)	Securities premium (B)	Retained earnings (C)	
Balance as at April 01, 2024	(238.00)	1,578.16	26.48	1,366.64
Profit for the year	-	-	55.97	55.97
Other comprehensive income for the year, net of tax (Refer Note 29)	-	-	0.43	0.43
Total comprehensive income for the year, net of tax	-	-	56.40	56.40
Dividend paid	-	-	(4.78)	(4.78)
Balance as at March 31, 2025	(238.00)	1,578.16	78.10	1,418.26
Profit for the year	-	-	70.37	70.37
Other comprehensive income for the year, net of tax (Refer Note 29)	-	-	(0.48)	(0.48)
Total comprehensive income for the year, net of tax	-	-	69.89	69.89
Dividend paid	-	-	(4.78)	(4.78)
Balance as at March 31, 2026	(238.00)	1,578.16	143.21	1,483.37

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

Sd/-
per Sonika Loganey
Partner
Membership No. 502220
Place : Noida
Date: April 30, 2026

For and on behalf of the Board of Directors of

GHCL Textiles Limited (CIN : L18101GJ2020PLC114004)

Sd/-
Anurag Dalmia
Chairman
DIN: 00120710

Sd/-
Marshal Sonavane
(Chief Executive officer)

Sd/-
Parasuraman M
(Chief Financial officer)

Sd/-
C. R. Rajagopal
Non-Executive Director
DIN: 08853688
Place : Noida
Date: April 30, 2026

Sd/-
Lalit N. Dwivedi
(Company Secretary)
Membership No. FCS10487

Notes to the Financial Statements as at and for the year ended March 31, 2026

(₹ in crores unless specified otherwise)

1. CORPORATE INFORMATION

GHCL Textiles Limited (“GTL” or the “Company”) (CIN: L18101GJ2020PLC114004) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The Company is engaged in the business of Manufacturing and trading of Yarn and fabric.

The registered office of the Company is located at GHCL House, Opp. Punjabi Hall, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat.

The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange.

The financial statements are approved for issue in accordance with a resolution of the Board of Directors on April 30, 2026.

The financial statements once approved by the Board of directors needs to be adopted by the shareholders at the annual general meeting of the Company. The Board of directors can withdraw and re-issue the financial statements so adopted only in specific cases such as non-compliance with the applicable accounting standards, with the approval of Tribunal, after following the appropriate procedure as per Companies Act, 2013.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

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 to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities that have been carried at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees (₹) and all values are recorded to the nearest crores (₹'00,00,000), except otherwise indicated.

The Company has prepared the financial statement on the basis that it will continue to operate as a going concern.

2.2 Summary of material accounting policies

a) Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, “Presentation of Financial Statements”. For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current

b) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

External valuers are involved for valuation of significant assets and significant liabilities.

For the purpose of fair value disclosures, the Company has determined classes of assets and

liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 31)
- Quantitative disclosure of Fair Value hierarchy (note 38)
- Financial instruments (including those carried at amortised cost) (note 37)

c) Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 31.

Sale of Goods

Revenue from Sale of Goods is recognised at the point in time when control of the goods is transferred i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average payment terms range between 30-120 days. In determining the transaction price for the Sale of goods, the Company considers the effects of variable consideration and the existence of significant financing components.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the year in which the change occurs. Some contracts for the sale of goods provide customers with a right of return the goods within a specified period, volume rebates and pricing incentives, which give rise to variable consideration. The Company provides retrospective volume rebates and pricing incentives to certain customers once the quantity of products purchased during the year exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a liability for the expected future rebates.

The disclosures of significant estimates and assumptions relating to the estimation of variable consideration for volume rebates are provided in Note 31.

Significant financing component

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good and the payment is one year or less.

Contract balances**Trade receivables**

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (p) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company applies the optional practical expedient to immediately expense costs to obtain a contract if amortisation period would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of other Expenses. Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognised as an expense in the year in which related revenue is recognised.

d) Other revenue streams**Export Benefits**

Export entitlements in the form of Advance license, Duty Drawback and MEIS (Merchandise Exports from India Scheme) are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

For all debt instruments measured either at amortised cost interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly

discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Scrap Sales

Income from Sales of Scrap is recognized at the point in time when control of the assets is transferred to the customers.

Insurance Claims

Insurance claims are recognized when there exists no significant uncertainty with regards to the amount to be realised and ultimate collection thereof.

e) Taxes

Tax expense comprises current tax expense and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in accordance with income tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other comprehensive income (OCI) or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable

that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises on an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except :

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year

when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and services taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets /non-current assets/ other current liabilities in the balance sheet.

f) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Items of

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Items such as spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost for long term construction projects if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of profit or loss as incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Depreciation on Property, plant and equipment is provided on the straight-line method over the useful lives of assets estimated by the management. Depreciation for assets purchased/sold during a year is proportionately charged. The Management estimates the useful lives for the Property, plant and equipment, as follows:

Particulars	Life Considered
Buildings	30/60 years
Carpeted Roads- RCC (included under Buildings)	10 years
Carpeted Roads- Other than RCC (included under Buildings)	5 years
Plant & Equipment (other than electrical installations)	5 to 25 years*
Electrical Installations and Equipment (included in plant & equipment)	10 years
End user devices, such as, desktops, laptops, etc. (included under office equipments)	3 years

Notes to the Financial Statements as at and for the year ended March 31, 2025
(₹ in crores unless specified otherwise)

Particulars	Life Considered
Servers and networks (included under office equipments)	6 years
Office Equipments	5 years
Furniture & Fixture	10 years
Vehicles	8 to 10 years
Wind Turbine	22 years
Solar Power	22 years

* For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the year over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the year over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption

of future economic benefits embodied in the asset are considered to modify the amortisation year or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets comprising of computer software with finite useful life are amortised on straight line basis over estimated useful life of three years

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

h) Non- Current asset held for for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

i) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

Company as a lessee

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on

short-term leases are recognised as expense on a straight-line basis over the lease term.

k) **Inventories**

Inventories are valued at cost or net realizable value, whichever is lower. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost basis.
- **Finished goods (Including goods in transit) & Work in progress:** Cost includes material cost, cost of conversion, depreciation, other overheads to the extent applicable. Cost is determined on weighted average basis.
- **Traded Goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost basis.
- **Stores and spares:** are stated at cost less provision, if any, for obsolescence. Cost is determined on moving weighted average cost basis and cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l) **Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless

Notes to the Financial Statements as at and for the year ended March 31, 2025
(₹ in crores unless specified otherwise)

the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a year of five years for longer years, a long-term growth rate is calculated and applied to project future cash flows after the third year. To estimate cash flow projections beyond years covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment

loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years such reversal is recognised in the statement of profit and loss.

m) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Onerous Contract

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling

a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

n) Gratuity and other post-employment benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised on an undiscounted accrual basis during the year when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. The Company presents the entire leave liability as current liability, since it does not have an unconditional right to defer its settlement for 12 months after the reporting period.

o) 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.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair

Notes to the Financial Statements as at and for the year ended March 31, 2025
(₹ in crores unless specified otherwise)

value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset except for Trade receivables which are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular day trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' 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.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company financial assets at amortised cost includes trade receivables and loan included under other financial assets.

Financial assets at fair value through profit or loss

Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and mutual/liquid funds investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Companies continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value 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, other financial liabilities and derivative financial instruments.

Notes to the Financial Statements as at and for the year ended March 31, 2025
(₹ in crores unless specified otherwise)

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss 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 or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and Borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification and measurement of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. The following table shows various reclassification

and how they are accounted for as per below:

- i) Amortised cost to FVTPL - Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
- ii) FVTPL to Amortised Cost - Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

For the purpose of the Standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q) Dividend

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

r) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received

and all attached conditions complied in. When the grant relates to an expense item, it is recognised as Income on a systematic basis over the years that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as an income in equal amounts over the expected useful life of the related asset.

s) Foreign currencies

The company's financial statements are presented in ₹, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency, using the spot exchange rates at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items are recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

t) Contingent Liabilities and Contingent assets

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 recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed

only by- the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize the contingent asset in its financial statements since this may result in the recognition of income that may never be realised. Where an inflow of economic benefits are probable, the company disclose a brief description of the nature of contingent assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the company recognize such assets.

u) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

Specified how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

The abovesaid amendments had no impact on the Company's financial statements as the Company.

Standards notified but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material

covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

A breach of either material or immaterial covenant will trigger current classification of liability.

To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company has assessed that amendments will not have any impact on its financial statements.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

3. Property, plant and equipment, Capital work in progress and Assets held for sale

Gross block at cost	Freehold Land	Buildings	Plant and Equip-ments	Office Equip-ments	Furniture and Fixtures	Vehicles	Wind Turbine Generator	Solar Power	Total	Capital work in progress	Assets held for sale (Refer note 42)	Total Amount
As at April 01, 2024	211.20	149.54	691.13	2.58	1.63	1.27	128.46	138.83	1,324.64	4.84	0.36	1,329.84
Additions	-	3.61	16.40	0.10	0.27	0.08	-	0.40	20.86	171.02	18.31	210.19
Disposals / Capitalized	(2.53)	(0.05)	(2.78)	(0.01)	-	(0.08)	-	-	(5.45)	(20.85)	-	(26.30)
Transferred to assets held for sale	-	-	(18.31)	-	-	-	-	-	(18.31)	-	-	(18.31)
As at March 31, 2025	208.67	153.10	686.44	2.67	1.90	1.27	128.46	139.23	1,321.74	155.01	18.67	1,495.42
Additions	-	44.37	168.83	0.45	0.44	0.22	-	8.28	222.59	69.47	-	292.06
Disposals / Capitalized	(1.78)	-	(0.47)	(0.02)	-	(0.14)	-	-	(2.41)	(222.59)	(11.71)	(236.71)
Transferred from assets held for sale	-	-	6.73	-	-	-	-	-	6.73	-	(6.73)	-
As at March 31, 2026	206.89	197.47	861.53	3.10	2.34	1.35	128.46	147.51	1,548.65	1.89	0.23	1,550.77
Accumulated Depreciation												
As at April 01, 2024	-	27.48	161.22	1.76	0.33	0.54	57.82	10.65	259.80	-	-	259.80
Depreciation charge for the year	-	7.25	29.64	0.26	0.16	0.13	6.86	6.23	50.53	-	-	50.53
Disposals	-	(0.00)	(0.64)	(0.01)	-	(0.06)	-	-	(0.71)	-	-	(0.71)
Transferred to assets held for sale	-	-	(12.79)	-	-	-	-	-	(12.79)	-	12.79	-
As at March 31, 2025	-	34.73	177.43	2.01	0.49	0.61	64.68	16.88	296.83	-	12.79	309.62
Depreciation charge for the year	-	8.13	35.99	0.24	0.19	0.14	6.81	6.26	57.76	-	0.02	57.78
Disposals	-	-	(0.20)	(0.02)	-	(0.08)	-	-	(0.30)	-	(8.32)	(8.62)
Transferred from assets held for sale	-	-	4.48	-	-	-	-	-	4.48	-	(4.48)	-
As at March 31, 2026	-	42.86	217.70	2.23	0.68	0.68	71.49	23.14	358.77	-	0.00	358.78
Net book value												
As at March 31, 2026	206.89	154.61	643.83	0.87	1.66	0.68	56.97	124.37	1,189.88	1.89	0.23	1,192.00
As at March 31, 2025	208.67	118.36	509.00	0.66	1.42	0.66	63.78	122.35	1,024.91	155.01	5.88	1,185.80
Net book value			As at March 31, 2026		As at March 31, 2025							
Property, plant and equipment			1,189.88		1,024.91							
Capital work in progress			1.89		155.01							
Asset classified as held for sale			0.23		5.88							

Notes:

- Property plant and equipment are subject to charge to secure the Company's borrowings as discussed in Note 16.
- On transition to Ind AS (i.e. 1 April 2015), the Demerged Company i.e. GHCL Limited had elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment. Such carrying value of the assets have been taken over by the Company pursuant to the Scheme of Arrangement.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

(c) Ageing schedule for capital work in progress (CWIP)

CWIP	Amount in CWIP for a year of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress as at March 31, 2026	1.87	0.02	-	-	1.89
Projects temporarily suspended as at March 31, 2026	-	-	-	-	-
Projects in progress as at March 31, 2025	152.51	2.50	-	-	155.01
Projects temporarily suspended as at March 31, 2025	-	-	-	-	-

There is no project whose completion is overdue or has exceeded its cost compared its original plan during the current and previous financial year.
These primarily include plant and machinery, building and ceiling work and electrical installation.

- (d) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) and immovable properties (freehold land and buildings) which were acquired pursuant to the Scheme of Arrangement approved by the National Company Law Tribunal (“NCLT”) vide its order dated February 8, 2023 are held in the name of the Company, however, the Company is currently in the process of completing the mutation for each individual land parcel in the relevant land records. The NCLT order was filed by the Company with the Registrar of Companies on April 1, 2023.
- (e) During the year, the Company has capitalised and commenced commercial production of its new 25,536 Spindles at Paravai location in Madurai.

4. Intangible assets

Gross block at cost	Computer Software
As at April 01, 2024	3.04
Additions	0.16
Disposals	-
As at March 31, 2025	3.20
Additions	0.13
Disposals	-
As at March 31, 2026	3.33
Amortisation	
As at April 01, 2024	2.86
Amortisation	0.12
Disposals	-
As at March 31, 2025	2.98
Amortisation	0.13
Disposals	-
As at March 31, 2026	3.11
Net book value	
As at March 31, 2026	0.22
As at March 31, 2025	0.22

Note:

On transition to Ind AS (i.e. 1 April 2015), the Demerged Company i.e. GHCL Limited had elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets. Such carrying value of the assets have been taken over by the Company pursuant to the Scheme of Arrangement.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

5 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
A) Non - current Investments in unquoted equity shares, at fair value through profit and loss, unless stated otherwise		
Nil (March 31, 2025: 6,00,525 equity shares) of ₹ 10/- each fully paid up of Arkay Energy (Rameshwarm) Private Limited	-	0.60
12,00,000 equity shares (March 31, 2025: Nil) of ₹ 10/- each fully paid up of Lilac Eco Energy Private Limited	1.20	-
5,200 equity shares (March 31, 2025: 5,200 equity shares) of ₹ 10/- each fully paid up of DM Solar Farm Private Limited	0.01	0.01
2,600 equity shares (March 31, 2025: 2,600 equity shares) of ₹ 10/- each fully paid up of Vaayu Renewable Energy (Mandvi) Private Limited *	0.00	0.00
100 equity shares (March 31, 2025: 100 equity shares) of ₹ 10/- each fully paid up of TCP Limited *	0.00	0.00
Total Investments	1.21	0.61
Aggregate value of unquoted investments #	1.21	0.61
* represents amount below ₹ 50,000/-		
B) Current Investments in Mutual funds		
Quoted at fair value through profit and loss, unless stated otherwise		
19,576.43 units (March 31, 2025: Nil) of Bandhan Liquid Fund - Direct Plan - Growth	6.51	-
15,513.76 units (March 31, 2025: Nil) of Axis Liquid Fund - Direct Growth	4.76	-
Total	11.27	-
C) Current Investments in unquoted equity shares, at fair value through profit and loss, unless stated otherwise		
16,74,130 equity shares (March 31, 2025: Nil) of ₹ 10/- each fully paid up of Arkay Energy (Rameshwarm) Private Limited**/#	1.67	-
	1.67	-
# The Company had invested in equity shares of Power Companies to get the guaranteed supply of electricity. This amount is refundable after the tenure. Certain of these investment where holding is more than 26% are an Associate Company as per the requirement of Companies Act, 2013. However, considering the provisions of IND AS 28 - Investment in Associates and Joint Ventures and IND AS 109 Financial Instruments, all these investments made by the Company are in the form of a deposit which will be returned to the Company at the end of the tenure with no residual interest. Therefore, all these investments has been accounted for as per the provisions of IND AS 109 Financial Instruments.		
** Investment in Arkay Energy (Rameshwarm) Private Limited has been classified as current.		
Total Non-current Investments (A)	1.21	0.61
Total Current Investments (B)+ (C)	12.94	-
Total	14.15	0.6
Aggregate carrying value of quoted investments	11.27	0.61
Aggregate market value of quoted investments	11.27	-
Aggregate value of unquoted investments	2.88	0.61
Provision for impairment loss on investment	-	-
Total	14.15	0.61

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

6A Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
(Unsecured, considered good, unless stated otherwise) (at amortised cost)		
Loan to employees (including loan to KMPs, refer note 34)	0.12	0.03
Total loan to employees	0.12	0.03
No loans are due from directors/officers of the Company either severally or jointly with any other person, except other than stated above.		

6B Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Security deposits	12.67	15.17
Bank deposits with remaining maturity of more than twelve months*	0.43	0.09
Total other non-current financial assets	13.10	15.26

* Margin money held with banks against letter of credits (LC) and bank guarantees.

7 Other-non current assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured considered good)		
Balances with statutory authorities	28.61	25.65
Corporate social responsibility prepaid	-	1.33
Capital advances		
a. Unsecured considered good	-	8.36
b. Unsecured considered doubtful	0.66	-
	29.27	35.34
Impairment allowance on capital advance	(0.66)	-
Total other non-current assets	28.61	35.34

No advances are due from directors or other officers of the Company either severally or jointly with any other person. Nor any advances are due from firm or any private companies respectively in which any director is a partner, a director or a member.

8 Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Inventories valued at lower of cost and net realisable value		
Raw materials	329.46	209.81
[includes in transit ₹ 62.47 crores (March 31, 2025: ₹ 19.27 crores)]		
Work-in-progress	26.40	25.35
Stock-in-trade	0.05	-
Finished goods	62.91	57.82
[includes in transit ₹ 29.19 crores (March 31, 2025: ₹ 8.93 crores)]		
Stores and spares	2.30	2.21
Total inventories	421.12	295.19

As at year end, the above inventories are net of provision on account of net value of ₹ 0.22 crore (March 31, 2025: Nil). All inventories of the Company have been hypothecated to secure short term borrowings of the Company (refer note 16).

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

9 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables from others	170.59	117.29
	170.59	117.29
Break-up for Trade receivables		
Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
- Secured, considered good*	28.46	45.21
- Unsecured, considered good	142.13	72.08
- Credit impaired	0.90	0.64
	171.49	117.93
Impairment allowance on trade receivables		
- Credit impaired	(0.90)	(0.64)
	(0.90)	(0.64)
Total trade receivables	170.59	117.29

* Secured against letter of credit (LC) from customer.

Trade Receivables ageing schedule :

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Current but Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	121.29	49.22	0.08	-	-	-	170.59
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	0.18	-	-	0.72	0.90
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	121.29	49.22	0.26	-	-	0.72	171.49

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Current but Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	79.07	38.01	0.21	-	-	-	117.29
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	0.18	-	-	0.46	0.64
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	79.07	38.01	0.39	-	-	0.46	117.93

No trade or other receivable are due from directors or other officer's of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 0 to 120 days.

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Set out below is the movement in the impairment allowance of trade receivables:

	March 31, 2026	March 31, 2025
Opening Balance	0.64	0.41
Impairment allowance on trade receivables	0.26	0.23
Closing Balance	0.90	0.64

10A Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with bank		
- On current accounts	0.68	2.20
Cash on hand	0.01	0.02
Total cash and cash equivalents	0.69	2.22

10B Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
- On account of margin money deposited*	3.62	2.74
- On unpaid dividend account	0.19	0.10
Total bank balances other than cash and cash equivalents	3.81	2.84

* Margin money held with banks against letter of credit and bank guarantee.

Changes in liabilities arising from financing activities

Particulars	Current	
	As at March 31, 2026	As at March 31, 2025
Opening balance of current borrowings	60.60	42.64
Proceeds from short term borrowings	390.04	-
Repayment of short-term borrowings	(313.89)	36.73
Repayment of Current maturities of non-current borrowings	(4.42)	(18.92)
Foreign exchange fluctuation	1.42	0.06
Others #	0.47	0.10
Closing Balance of current borrowings	134.22	60.60

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

Changes in liabilities arising from financing activities

Particulars	Non-Current	
	As at March 31, 2026	As at March 31, 2025
Opening Balance of non-current borrowings	2.73	29.18
Current maturities of non-current borrowings classified under current borrowings	4.42	18.92
Repayment of borrowings	(7.15)	(45.43)
Foreign exchange fluctuation	-	0.03
Others #	-	0.03
Closing Balance of non-current borrowings	-	2.73

includes the effect of interest accrued but not due on borrowings.

11A Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
(Unsecured, considered good, unless stated otherwise)		
Loan to employees (including loan to KMPs, refer note 34)	0.25	0.15
Total Loans	0.25	0.15

No loans are due from directors of the Company either severally or jointly with any other person, except other than stated above.

Breakup of financial assets carried at amortised cost

Particulars	As at March 31, 2026	As at March 31, 2025
Loans (Refer Note 6A & 11A)	0.37	0.18
Security deposits (Refer Note 6B)	12.67	15.17
Bank deposits with remaining maturity of more than twelve months (Refer Note 6B)	0.43	0.09
Trade receivables (Refer Note 9)	170.59	117.29
Cash and cash equivalents (Refer Note 10A)	0.69	2.22
Bank balances other than cash and cash equivalents (Refer Note 10B)	3.81	2.84
Other financial assets (Refer Note 11C)	4.03	20.21
Total financial assets carried at amortised cost	192.59	158.00

11B Derivative instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Derivative instruments at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts	1.18	-
Total derivative instruments at fair value through profit or loss	1.18	-

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

11C Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good, unless stated otherwise)		
Export incentives and other receivables from government authorities	2.81	18.38
Interest receivable	-	0.97
Other receivable*	0.56	0.86
Bank deposits with remaining maturity of less than twelve months**	0.66	-
Total Other financial assets	4.03	20.21

* includes receivables from vendor for cash discounts.

** Margin money held with banks against letter of credit and bank guarantee.

12 Income tax and deferred tax

Non Current tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance Income tax including TDS (net of provisions)	0.69	0.39
Total	0.69	0.39

Reconciliation of tax expense and the accounting profit multiplied by India's statutory tax rate for March 31, 2026 and March 31, 2025:

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before tax	92.96	63.29
At India's statutory income tax rate of 25.168%	23.40	15.92
Adjustments of tax on following items to arrive at tax as per statement of profit and loss:		
- Items disallowed under Income Tax Act, 1961	-	0.00
- Change in indexed cost of acquisition on fair valuation gain of land	-	(8.88)
- Change in tax rate on sale of land	(0.93)	-
- Items of capital nature	-	0.05
- CSR expenses	0.17	0.14
- Others	(0.03)	-
	22.61	7.23
Current tax reported in the statement of profit and loss	13.87	4.17
Deferred tax charge reported in the statement of profit and loss	8.51	3.06
Total tax expenses	22.38	7.23

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax expense/(income) relates to the following:		
Property, plant and equipment	(8.61)	1.41
Unamortised borrowing costs	0.00	0.02
Derivative asset	(0.30)	-
Employee benefit expenses	0.16	(0.14)
Expenditure allowable on payment basis under Section 43B of Income Tax Act, 1961	0.34	(1.01)
Items under Section 35 DDA of Income Tax Act, 1961	-	(3.64)
Impairment allowance	0.07	0.06
Deferred tax (credit)/expenses	(8.35)	(3.29)
Disclosed as follows:		
Recognised in other comprehensive income	(0.16)	0.14
Deferred tax expenses for earlier years recognised statement profit and loss under tax expenses	-	0.09
Recognised in profit and loss	8.51	3.06
Total deferred tax expense	8.35	3.29

Deferred tax relates to the following:

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities on:		
Property, plant and equipment	140.37	131.76
Unamortised borrowing costs	-	0.00
Derivative instrument	0.30	-
Other comprehensive income	0.47	0.63
Deferred tax assets on:		
Expenditure allowable on payment basis under Section 43B of Income Tax Act, 1961	(0.86)	(0.52)
Impairment allowance	(0.13)	(0.06)
Net deferred tax liabilities	140.15	131.81

Reflected in the balance sheet as follows:

Deferred tax assets	(0.99)	(0.58)
Deferred tax liabilities	141.14	132.39
Net deferred tax liabilities	140.15	131.81

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

13 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good unless stated otherwise)		
Balances with statutory authorities	12.62	19.66
Advances to vendors	5.40	6.58
Prepaid expenses	0.53	0.40
Corporate social responsibility prepaid	1.32	0.65
Total other current assets	19.87	27.29

No advances are due from directors or other officers of the Company either severally or jointly with any other person. Nor any advances are due from firm or any private companies respectively in which any director is a partner, a director or a member.

14 Share capital

Authorised share capital

Particulars	Number of Shares (of ₹ 2 each)	Amount
As at April 01, 2024	17,57,50,000	35.15
Increase/(decrease) during the year	-	-
As at March 31, 2025	17,57,50,000	35.15
Increase/(decrease) during the year	-	-
As at March 31, 2026	17,57,50,000	35.15

Issued, Subscribed and fully paid up equity shares

Particulars	Number of Shares	Amount
Equity shares of ₹ 2 each		
As at April 01, 2024	9,55,85,786	19.12
Changes during the year	-	-
As at March 31, 2025	9,55,85,786	19.12
Changes during the year	-	-
As at March 31, 2026	9,55,85,786	19.12

Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is entitled to one vote per equity share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation on the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pay dividend in Indian Rupee.

Notes to the Financial Statements as at and for the year ended March 31, 2025
(₹ in crores unless specified otherwise)

Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2026	As at March 31, 2025
Promoter & Promoter Group	19.20%	19.16%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

No shares have been issued by the Company for consideration other than cash, during the year of five years immediately preceding the reporting date other than 9,55,85,786 equity shares issued during the year 2024 pursuant to Scheme of Arrangement.

Details of shares held by promoters as at March 31, 2026:

S No.	Promoter name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	%of total shares	% Change during the year
1	Hindustan Commercial Company Limited	29,44,737	35,000	29,79,737	3.12%	1.19%
2	Gems Commercial Company Limited	29,40,207	-	29,40,207	3.08%	0.00%
3	Banjax Limited	27,89,700	-	27,89,700	2.92%	0.00%
4	Hexabond Limited	27,18,200	-	27,18,200	2.84%	0.00%
5	Oval Investment Private Limited	25,88,848	-	25,88,848	2.71%	0.00%
6	Lhonak Enternational Private Limited	13,65,599	-	13,65,599	1.43%	0.00%
7	Anurag Dalmia HUF	6,05,124	-	6,05,124	0.63%	0.00%
8	Carissa Investment Private Limited	4,81,752	-	4,81,752	0.50%	0.00%
9	Harvatex Engineering And Processing Company Limited	4,15,723	-	4,15,723	0.43%	0.00%
10	WGF Financial Services Limited	3,78,807	-	3,78,807	0.40%	0.00%
11	Anurag Trading Leasing And Investment Company Private Limited	2,87,200	-	2,87,200	0.30%	0.00%
12	Dalmia Finance Limited	2,00,244	-	2,00,244	0.21%	0.00%
13	Neelabh Dalmia	1,68,651	4,100	1,72,751	0.18%	2.43%
14	Anurag Dalmia	1,45,225	-	1,45,225	0.15%	0.00%
15	Archana Trading And Investment Company Private Limited	1,32,848	-	1,32,848	0.14%	0.00%
16	Bharatpur Investment Limited	38,842	-	38,842	0.04%	0.00%
17	Sanjay Trading Investment Company Private Limited	29,100	-	29,100	0.03%	0.00%
18	General Exports And Credits Limited	17,000	-	17,000	0.02%	0.00%
19	Golden Tobacco Limited	16,578	-	16,578	0.02%	0.00%
20	Pashupatinath Commercial Private Limited	15,000	-	15,000	0.02%	0.00%
21	Sovereign Commercial Private Limited	6,000	-	6,000	0.01%	0.00%
22	Dalmia Housing Finance Limited	5,707	-	5,707	0.01%	0.00%
23	Trishul Commercial Private Limited	5,100	-	5,100	0.01%	0.00%
24	Swastik Commercial Private Limited	3,700	-	3,700	0.00%	0.00%
25	Alankar Commercial Private Limited	2,600	-	2,600	0.00%	0.00%

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

S No.	Promoter name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	%of total shares	% Change during the year
26	Ricklunsford Trade And Industrial Investment Limited	1,960	-	1,960	0.00%	0.00%
27	Chirawa Investment Limited	1,860	-	1,860	0.00%	0.00%
28	Mourya Finance Limited	1,860	-	1,860	0.00%	0.00%
29	Lakshmi Vishnu Investment Limited	1,860	-	1,860	0.00%	0.00%
30	Sikar Investment Company Limited	1,800	-	1,800	0.00%	0.00%
31	Antarctica Investment Private Limited	768	-	768	0.00%	0.00%
32	Comosum Investment Private Limited	701	-	701	0.00%	0.00%
33	Lovely Investment Private Limited	645	-	645	0.00%	0.00%
34	Altar Investment Private Limited	318	-	318	0.00%	0.00%
35	Ilac Investment Private Limited	217	-	217	0.00%	0.00%
36	Dear Investment Private Limited	55	-	55	0.00%	0.00%
Total		1,83,14,536	39,100	1,83,53,636	19.20%	3.62%

Details of shares held by promoters as at March 31, 2025:

S No.	Promoter name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	%of total shares	% Change during the year
1	Hindustan Commercial Company Limited	29,44,737	-	29,44,737	3.08%	0.00%
2	Gems Commercial Company Limited	29,40,207	-	29,40,207	3.08%	0.00%
3	Banjax Limited	27,89,700	-	27,89,700	2.92%	0.00%
4	Hexabond Limited	27,18,200	-	27,18,200	2.84%	0.00%
5	Oval Investment Private Limited	25,88,848	-	25,88,848	2.71%	0.00%
6	Lhonak Enternational Private Limited	13,65,599	-	13,65,599	1.43%	0.00%
7	Anurag Dalmia HUF	6,05,124	-	6,05,124	0.63%	0.00%
8	Carissa Investment Private Limited	4,81,752	-	4,81,752	0.50%	0.00%
9	Harvatex Engineering And Processing Company Limited	4,15,723	-	4,15,723	0.43%	0.00%
10	WGF Financial Services Limited	3,78,807	-	3,78,807	0.40%	0.00%
11	Anurag Trading Leasing And Investment Company Private Limited	2,87,200	-	2,87,200	0.30%	0.00%
12	Dalmia Finance Limited	2,00,244	-	2,00,244	0.21%	0.00%
13	Neelabh Dalmia	1,68,150	501	1,68,651	0.18%	0.30%
14	Anurag Dalmia	1,40,225	5,000	1,45,225	0.15%	3.57%
15	Archana Trading And Investment Company Private Limited	1,32,848	-	1,32,848	0.14%	0.00%
16	Bharatpur Investment Limited	38,842	-	38,842	0.04%	0.00%
17	Sanjay Trading Investment Company Private Limited	29,100	-	29,100	0.03%	0.00%
18	General Exports And Credits Limited	17,000	-	17,000	0.02%	0.00%
19	Golden Tobacco Limited	16,578	-	16,578	0.02%	0.00%
20	Pashupatinath Commercial Private Limited	15,000	-	15,000	0.02%	0.00%
21	Sovereign Commercial Private Limited	6,000	-	6,000	0.01%	0.00%
22	Dalmia Housing Finance Limited	5,707	-	5,707	0.01%	0.00%

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

S No.	Promoter name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year
23	Trishul Commercial Private Limited	5,100	-	5,100	0.01%	0.00%
24	Swastik Commercial Private Limited	3,700	-	3,700	0.00%	0.00%
25	Alankar Commercial Private Limited	2,600	-	2,600	0.00%	0.00%
26	Ricklunsford Trade And Industrial Investment Limited	1,960	-	1,960	0.00%	0.00%
27	Chirawa Investment Limited	1,860	-	1,860	0.00%	0.00%
28	Mourya Finance Limited	1,860	-	1,860	0.00%	0.00%
29	Lakshmi Vishnu Investment Limited	1,860	-	1,860	0.00%	0.00%
30	Sikar Investment Company Limited	1,800	-	1,800	0.00%	0.00%
31	Antarctica Investment Private Limited	768	-	768	0.00%	0.00%
32	Comosum Investment Private Limited	701	-	701	0.00%	0.00%
33	Lovely Investment Private Limited	645	-	645	0.00%	0.00%
34	Altar Investment Private Limited	318	-	318	0.00%	0.00%
35	Ilac Investment Private Limited	217	-	217	0.00%	0.00%
36	Dear Investment Private Limited	55	-	55	0.00%	0.00%
Total		1,83,09,035	5,501	1,83,14,536	19.16%	3.87%

Note: The additions are on account of new acquisitions made by promoter group during the year.

15 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve (Note 15A)	(238.00)	(238.00)
Securities premium (Note 15B)	1,578.16	1,578.16
Retained earnings (Note 15C)	143.21	78.10
Total	1,483.37	1,418.26

Movement, nature and purpose of reserves:

15A Capital reserve

Particulars	₹ in crores
As at April 01, 2024	(238.00)
Changes during the year	-
As at March 31, 2025	(238.00)
Changes during the year	-
As at March 31, 2026	(238.00)

This reserve represents the difference between the net assets acquired and the amount of equity share capital issued including Securities premium, in accordance with the Scheme of Arrangement. The reserve is not available for distribution to shareholders.

15B Securities premium

Particulars	Amount
As at April 01, 2024	1,578.16
Changes during the year	-
As at March 31, 2025	1,578.16
Changes during the year	-
As at March 31, 2026	1,578.16

Securities premium is used to record the premium on issue of shares on account of scheme of arrangement.

15C Retained earnings

Particulars	Amount
As at April 01, 2024	26.48
Profit for the year	55.97
Other comprehensive income	
- Re-measurement gain on defined benefit plans (net of tax)	0.43
Dividend paid during the year	(4.78)
As at March 31, 2025	78.10
Profit for the year	70.37
Other comprehensive loss	
- Re-measurement loss on defined benefit plans (net of tax)	(0.48)
Dividend paid during the year	(4.78)
As at March 31, 2026	143.21
Retained earnings are the profit/(loss) that the Company has earned/incurred till date, less, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain / (loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. The reserve is available for distribution to shareholders.	
Total as at March 31, 2025	1,418.26
Total as at March 31, 2026	1,483.37

Distributions made and proposed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2025: ₹ 0.50 per equity share (March 31, 2024: ₹ 0.50 per equity share)	4.78	4.78
	4.78	4.78
Proposed dividends on equity shares:		
Proposed dividend for the year ended on March 31, 2026: ₹ 0.60 per equity share (March 31, 2025: ₹ 0.50 per equity share)	5.74	4.78
	5.74	4.78

Proposed dividend on equity shares is subject to approval at the Annual General Meeting and is not recognized as a liability as at year end.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

16 Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
16A Non-current borrowings		
Term loans (secured)		
From banks		
- Rupee term loans	-	2.84
From financial institutions		
- Rupee term loans	-	4.31
Total non-current borrowings (including current maturities)	-	7.15
Less: Current maturities of non-current borrowings (refer note 16B)	-	4.42
Total non-current borrowings	-	2.73

16.1 Term loans from Banks / institutions have been secured against:

a) Rupee term loans aggregating to Nil (March 31, 2025: ₹ 7.15 crores) is secured by exclusive charge on the specific property, plant and equipment created out of the proceeds of the loan for Company's units situated in Tamil Nadu. The said loans were paid during current year.

16B Current borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Loans repayable on demand		
Bank overdraft	-	5.93
Export packing credit loan	21.00	25.00
Working capital demand loans from banks	65.00	15.54
Buyer's credit foreign currency loan	-	9.58
Supplier's Credit (FC)	47.25	-
Sales Bill Discounting	0.36	
Current maturities of non-current borrowings (refer note 16A)	-	4.42
Interest accrued but not due on borrowings	0.61	0.13
Total short term borrowings	134.22	60.60

16.2 Current borrowings: This facility is secured by way of first parri-passu charge on hypothecation on inventories and receivables, and second parri-passu charge on movable property, plant and equipment of the Company situated at Paravai & Manaparai, Tamil Nadu; and borrowed as under:

- Credit Facilities in Indian Rupees: The facilities availed by way of bank overdraft, working capital demand loan and Export Packing Credit are repayable on demand and carries interest rate ranging between 6.54% to 7.05% p.a.
- Credit facilities in foreign currency : The Company has availed Foreign Currency loan by way of Buter's/ Supplier's credit are payable on demand and carries interest rate ranging between 2.79% to 4.30% p.a. (without Forward Premium)
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

16.3 The Company has satisfied all the loan covenants.

16.4 As at March 31, 2026 the Company has available ₹ 213.64 crores (As at March 31, 2025: ₹ 243.95 crores) of undrawn committed borrowing facilities.

17 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for compensated absences	2.50	1.85
Provision for Gratuity (Refer Note 32)	1.34	0.05
Total Provisions	3.84	1.90

18 Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 18B)	15.69	4.73
- Total outstanding dues of creditors other than micro enterprises and small enterprises	47.29	37.04
	62.98	41.77
Trade payables to related parties (refer note 34)	0.46	0.38
Trade payables other than related parties	62.52	41.39
	62.98	41.77

18A Trade Payables Ageing Schedule :

As at 31st March 2026

Particulars	Outstanding for following years from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	15.62	0.07	-	-	-	15.69
Undisputed dues of creditors other than micro enterprises and small enterprises	34.55	7.04	5.28	0.02	0.06	0.34	47.29
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	34.55	22.66	5.35	0.02	0.06	0.34	62.98

As at 31 March 2025

Particulars	Outstanding for following years from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	4.73	-	-	-	-	4.73
Undisputed dues of creditors other than micro enterprises and small enterprises	14.06	16.89	5.67	0.09	0.27	0.06	37.04
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	14.06	21.62	5.67	0.09	0.27	0.06	41.77

Terms and conditions of the above trade payables :

Trade payables are non-interest bearing and normally settled on 30-90 days terms.
For terms and conditions with related parties, refer note 34.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

18B Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 :

Particulars	As at March 31, 2026	As at March 31, 2025
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises (including capital creditors of ₹ 2.75 crores (March 31, 2025: ₹ 6.03 crores)	18.44	10.76
- Interest due on above	-	-
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
- Principal	-	-
- Interest	-	-
iii) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

19 Financial Liabilities

19A Derivative instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Derivative instruments at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts*	-	0.00
Total derivative instruments	-	0.00

While the Company entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

* represents amount less than ₹ 50,000/-

19B Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Other financial liabilities at amortised cost		
Capital creditors*	6.27	11.62
Employee benefit related payable	5.14	5.36
Unpaid dividend	0.19	0.10
Total Other financial liabilities	11.60	17.08

* includes outstanding dues of micro and small enterprises of ₹ 2.75 crores (March 31, 2025: ₹ 6.03 crores) (refer note 18B)

20 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	1.33	1.32
Liability on advance authorisation	2.97	6.71
Others	-	0.05
Total other current liabilities	4.30	8.08

21 Revenue from operations

1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
- Sale of manufactured products	1,291.98	1,147.15
- Sale of traded products	15.70	3.88
Total Sale of products	1,307.68	1,151.03
Other operating revenue		
- Sale of Scrap	1.73	1.17
- Export benefits	9.19	8.96
Total other operating revenue	10.92	10.13
Revenue from operations	1,318.60	1,161.16
Type of goods		
Sale of manufactured products		
- Yarn	1,084.66	1,018.14
- Fabric	141.52	94.63
- Waste	65.80	34.38

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of traded products		
- Fabric	15.70	3.88
Total revenue from contracts with customers	1,307.68	1,151.03
India	1,165.52	967.06
Outside India	142.16	183.97
Total revenue from contracts with customers	1,307.68	1,151.03
Timing of revenue recognition		
Goods transferred at a point in time	1,307.68	1,151.03
Total revenue from contracts with customers	1,307.68	1,151.03

2) Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables *	170.59	117.29
Contract liabilities		
- Advances from customers**	10.85	1.49

Set out below is the amount of revenue recognised from:

	March 31, 2026	March 31, 2025
Amounts included in contract liabilities at the beginning of the year	1.49	5.02
Revenue recognised during the year	1.49	5.02
Amounts included in contract liabilities at the end of the year	10.85	1.49

* Trade receivables are non-interest bearing and are generally on terms of 0 to 120 days.

** Advances from customers relate to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Company performs under the contract.

3) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	1,311.81	1,153.88
Adjustments :		
Sales return	(3.02)	(1.54)
Discounts	(1.11)	(1.31)
Revenue from contract with customers	1,307.68	1,151.03

4) The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are, as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from Customers (Within one year)	10.85	1.49
	10.85	1.49

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting year will be recognised as revenue during the next financial year.

22 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest income from financial assets measured at amortised cost		
(i) from Bank deposits	0.18	0.32
(ii) Others	0.76	0.79
(b) Other non-operating income:		
Gain on foreign exchange (net)	5.55	2.23
Profit on sale of current investments	0.22	2.76
Fair value gain on investments at FVTPL	0.02	-
Liabilities written back	0.31	0.49
Interest on Income tax refund	-	0.05
Gain on sale/disposal of property, plant and equipment (net)	8.59	0.10
Miscellaneous income*	0.57	0.22
	16.20	6.96

* includes carbon credit sales, IT services sales (SAP IT support with GHCL), etc.

23 Cost of raw materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year	209.81	253.60
Add: Purchases	1,002.21	729.69
	1,212.02	983.29
Less: Inventories at the end of the year	(329.46)	(209.81)
Cost of raw material consumed	882.56	773.48

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

24 (Increase)/Decrease in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock		
Finished goods	57.82	65.85
Work in progress	25.35	24.76
Stock-in-trade	-	0.08
	83.17	90.69
Closing stock		
Finished goods	62.91	57.82
Work in progress	26.40	25.35
Stock-in-trade	0.05	-
	89.36	83.17
(Increase)/decrease in inventories		
Finished goods	(5.09)	8.03
Work in progress	(1.05)	(0.59)
Stock-in-trade	(0.05)	0.08
	(6.19)	7.52

25 Employee benefit expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	64.42	57.57
Contribution to provident and other funds	5.38	5.14
Gratuity expenses (Refer Note 32)	1.64	1.56
Staff welfare expenses	10.59	10.15
	82.03	74.42

26 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Interest expenses :		
Interest on borrowings	4.18	1.88
b) Other borrowing costs*	1.07	0.86
	5.25	2.74

* includes commitment charges and loan processing charges

27 Depreciation and amortization expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer Note 3)	57.77	50.53
Amortization of intangible assets (Refer Note 4)	0.13	0.12
	57.90	50.65

28 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spares	32.26	27.93
Packing expenses	21.57	19.06
Job work charges	23.37	18.30
Freight and forwarding charges	16.31	16.20
Commission on sales	9.11	9.24
Other selling expenses	1.74	3.52
Travelling and conveyance	1.93	1.95
Other manufacturing expenses	1.17	0.75
Rent	0.58	0.49
Repairs and maintenance :		
- Plant and machinery	4.81	8.75
- Buildings	0.85	0.58
- Others	0.27	0.25
Rates and taxes	0.59	0.93
Insurance	3.67	3.01
Commission to Non Executive Directors (refer note 34)	0.48	0.42
Communication expenses	0.39	0.28
Legal and professional expenses	2.45	2.03
Payment to Auditors (refer note 28A)	0.65	0.59
Bank charges	0.62	1.03
CSR Expenditure (refer note 28B)	0.66	0.55
Impairment loss on trade receivables & capital advance	0.92	0.23
Advances written off	-	0.03
Miscellaneous expenses	2.61	2.66
	127.02	118.78

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

28A Payment to Auditors :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
To Statutory Auditors:		
Audit fee	0.22	0.20
Limited reviews	0.36	0.33
In other capacity		
Other services (certification fees)	0.06	0.02
Reimbursements of expenses	0.01	0.04
	0.65	0.59

28B Details of CSR expenditure :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a Gross amount required to be spent by the Company during the year	0.66	0.16
b Amount approved by the Board to be spent during the year	0.66	0.55
c Amount spent during the year ended on 31st March, 2026:	Total	Total
i) Construction / acquisition of any asset	-	-
ii) On purpose other than (i) above	0.66	0.55
d Amount spent during the year ended on 31st March, 2025:	Total	Total
i) Construction / acquisition of any asset	-	-
ii) On purpose other than (i) above	0.55	0.55
e Details related to spent / unspent obligations:		
i) Contribution to Public Trust	0.66	0.55
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

29 Components of Other comprehensive income (OCI)

Particulars	Retained Earnings
The disaggregation of changes to OCI by each type of reserve in equity is shown below:	
For the year ended March 31, 2026	
Re-measurement gain/ (loss) on defined benefit plans	(0.64)
Income tax effect	0.16
Total	(0.48)
For the year ended March 31, 2025	
Re-measurement gain/ (loss) on defined benefit plans	0.57
Income tax effect	(0.14)
Total	0.43

30 Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in computation of Basic EPS and Diluted EPS:	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit attributable to the equity holders of the Company	70.37	55.97
Weighted average number of equity shares for Basic EPS and Diluted EPS	9,55,85,786	9,55,85,786
Basic and Diluted earnings per share (Face value of ₹ 2/- per equity share)	7.36	5.86

31 Significant accounting judgements, estimates and assumptions

The preparation of Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures and disclosure of contingent liabilities. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Financial risk management objectives and policies in Note 39
- Sensitivity analyses disclosures in Note 32 and Note 39
- Capital Management Note 40

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(i) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have significant effect on the amounts recognised in the financial statements:

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform the irrelative obligations under the contract, and the contract is legally enforceable.

Judgement is required to determine the transaction price for the contract and to ascertain the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as a right of return the goods within a specified period, volume discounts, cash discount and price incentives. Any consideration payable to the customer

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

is adjusted to the transaction price, unless it is a payment for a distinct product from the customer.. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss.

(ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(iii) Provision for expected credit losses of trade receivables and contract assets

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to impairment assessment of Property plant and equipment and intangible assets.

(v) Useful lives of Property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of Property, plant and equipment at the end of each reporting date.

(vi) Post-retirement benefit plans

Employee benefit obligations (gratuity obligation) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 32.

(vii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 39 for further disclosures.

32 Defined benefit and contribution plan

Defined contribution plan

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. Contribution paid for provident fund is recognised as expense for the year :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's contribution to provident fund/pension scheme excluding administration charges	4.00	3.84

Defined benefit plan

Gratuity (funded)

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Employees who are in continuous service for a year of 5 years are eligible for gratuity. The amount of gratuity payable to an employee upon leaving the Company is computed proportionately for 15/26 days of wages (as per Labour Codes) multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Gratuity Trust registered under Income Tax Act, 1961.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The plan assets are managed by the Gratuity Trust formed by the Company. The management of 100% of the funds is entrusted according to norms of Gratuity Trust, whose pattern of investment is available with the Company.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

Changes in the defined benefit obligation and fair value of plan assets (in respect of gratuity fund) as at March 31, 2026 :

As at April 01, 2025	Gratuity cost charged to profit or loss		Re-measurement (gains) / losses in other comprehensive income				As at March 31, 2026				
	Service cost	Net interest expense/(Income)	Amount included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions / Demographic Assumptions		Experience adjustments included in OCI	Subtotal included in OCI	Contributions by employer	
Defined benefit obligation	1.1.30	1.64	0.75	2.39	(0.97)	-	(0.45)	0.16	(0.29)	-	12.43
Fair value of plan assets	11.25	-	(0.75)	(0.75)	(0.97)	0.60	-	-	0.60	0.66	11.10
Benefit (assets)/Liabilities	0.05		1.64						0.31		1.34

Changes in the defined benefit obligation and fair value of plan assets (in respect of gratuity fund) as at March 31, 2025:

As at April 01, 2024	Gratuity cost charged to profit or loss		Re-measurement (gains) / losses in other comprehensive income				As at March 31, 2025				
	Service cost	Net interest expense/(Income)	Amount included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions		Experience adjustments included in OCI	Subtotal included in OCI	Contributions by employer	
Defined benefit obligation	9.85	1.62	0.70	2.32	(0.79)	-	-	(0.08)	(0.08)	-	11.30
Fair value of plan assets	10.61	-	(0.76)	(0.76)	(0.46)	(0.48)	-	-	(0.48)	(0.14)	11.25
Benefit (assets)/Liabilities	(0.76)		1.56						(0.57)		0.05

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Insurance fund	11.10	11.25

The principal assumptions used in determining gratuity are:

Mortality table - LIC	As at March 31, 2026	As at March 31, 2025
Indian Assured Lives Mortality 2012-14 (Urban)	7.23%	6.65%
Discount rate	7.23%	6.65%
Estimated rate of return on plan assets	9.00%	9.00%
Estimated future salary growth	11.00%	11.00%
Rate of employee turnover		

A quantitative sensitivity analysis for significant assumption as at March 31, 2026 is as shown below:

Assumptions	Employee turnover		Salary		Discount rate	
	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level						
Impact on defined benefit obligation	(0.13)	0.14	0.78	(0.70)	(0.71)	0.80

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

Assumptions	Employee turnover		Salary		Discount rate	
	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level						
Impact on defined benefit obligation	(0.14)	0.15	0.70	(0.63)	(0.64)	0.73

The following payments are projected benefits payable in future years from the date of reporting from the fund:

	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting year)	1.50	1.70
2nd Following Year	1.28	1.13
3rd Following Year	1.34	1.19
4th Following Year	1.36	1.09
5th Following Year	1.28	1.14
Sum of Years 6 to 10	5.50	4.53
Sum of Years 11 and above	9.47	8.06
Total expected payments	21.73	18.84

Expected contribution in the next year is ₹ 3.11 crores (March 31, 2025: ₹ 1.69 crores)

The average duration of the defined benefit plan obligation at the end of the reporting year is 7 years (March 31, 2025: 7 years).

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate Risk:

A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher proportion. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on Government bonds. If the return on plan asset is below

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in Government securities, and other debt instruments.

Asset Liability Matching Risk:

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM Risk.

Mortality Risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk:

Plan is having a concentration risk all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow regulatory guidelines which mitigate risk.

33 Commitments and contingencies

Particulars	As at March 31, 2026	As at March 31, 2025
a) Commitments :		
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advance)	4.74	49.02
b) Contingent liabilities :		
- Other claims#	6.15	6.15

On the basis of current status of individual case for respective years and as per legal advice obtained by the Company, wherever applicable, the Company is confident of winning the above cases and is of the view that no provision is required in respect of above cases.

Claims under this heading relate to legal cases pending in different courts under the jurisdiction of Hon'ble Supreme Court, Hon'ble Madras High Court and the courts subordinate to them. Claims relate to Cross-subsidy levied by TANGEDCO, which is challenged by HT power consumers in Tamil Nadu, currently directed to the Hon'ble Supreme Court. Apart from these certain disputes on account of delayed payments are also pending which on merit are weak and the Company has fair chances of winning these cases.

The aforesaid Appendix did not have an impact on the financial statements of the Company.

(c) EPCG Commitment (Value of Exports) - The Company has export obligations to the extent ₹ 248.71 crores (as at March 31, 2025: ₹ 287.10 crores) of on account of concessional rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India which is to be fulfilled over the next six years. Due to the low likelihood of the Company being unable to meet its export obligations, the Company does not anticipate a loss with respect to these obligations and hence has not made any provision in its financial statements.	41.45	47.85
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34 Related Party Transactions

- a) The following table provides the list of related parties and total amount of transactions that have been entered into with related parties for the relevant financial years.

A) Key Managerial Personnel

Mr. Marshal Rajendrakumar Sonavane - Chief Executive officer (w.e.f. June 01, 2025)

Mr. R Balakrishnan - Chief Executive officer (upto May 31, 2025)

Mr. M Parasuraman - Chief Financial officer (w.e.f. May 29, 2025)

Mr. Gaurav V - Chief Financial officer (upto March 31, 2025)

Mr. Lalit Narayan Dwivedi - Company Secretary

B) Non-whole-time directors

Mr. Anurag Dalmia - Non-Executive Chairman (Promoter) (w.e.f. April 01, 2024)

Mr. R. S. Jalan - Non-Executive Director

Mr. Raman Chopra - Non- Executive Director

Mr. Neelabh Dalmia - Non- Executive Director (Promoter)

Mrs. Vijaylaxmi Joshi - Independent Director (upto March 06, 2025)

Dr. Manoj Vaish - Independent Director (upto March 06, 2025)

Mr. Arun Kumar Jain - Independent Director (upto March 06, 2025)

Justice (Retd.) Ravindra Singh - Independent Director (w.e.f. April 01, 2024 and upto March 31, 2026)

Mr. C.R. Rajagopal - Independent Director (w.e.f. March 01, 2025)

Mr. V.K. Jeyakodi - Independent Director (w.e.f. March 01, 2025)

Mrs. Sudha Pillai - Independent Director (w.e.f. March 01, 2025)

C) Relative of Key Managerial Personnel

Mrs. Banu B, w/o Mr. R Balakrishnan (upto May 31, 2025)

Mr. Gnanendra Dadhich relative of Mr. Gaurav V (upto March 31, 2025)

Mrs. Sonavane Mangalaban Rajendrakumar, Mother of Mr. Marshal Rajendrakumar Sonavane (w.e.f. June 01, 2025)

Mr. Muthusamy, Father of Mr. M Parasuraman (w.e.f. May 29, 2025)

D) Enterprises over which directors / Key Managerial Personnel are able to exercise significant influence

GHCL Limited

GHCL Textiles Employees Group Gratuity Scheme

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
b) Transactions with relative of Key Management Personnel		
Leasing & hire purchase transactions		
Mrs. Banu B , w/o Mr. R Balakrishnan	0.01	0.03
Mr. Gnanendra Dadhich relative of Mr. Gaurav V	-	0.02
Mrs. Sonavane Mangalaban Rajendrakumar, Mother of Mr. Marshal Rajendrakumar Sonavane	0.05	-
Mr. Muthusamy, Father of Mr. M Parasuraman	0.02	-
c) Transactions with enterprises over which significant influence exercised by directors		
GHCL Limited		
-Sale of Export benefit certificate	2.10	-
-Business Support Services - received	0.58	0.81
-Business Support Services - given	0.25	0.17
-Reimbursement of gratuity paid to employee on behalf of trust	0.97	-
GHCL Textiles Employees Group Gratuity Scheme	0.99	0.67

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026 and March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

d) Compensation of Key Management Personnel of the Company

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Mr. R Balakrishnan #	0.54	0.80
Mr. Gaurav V	-	0.32
Mr. Lalit Narayan Dwivedi	0.14	0.14
Mr. Marshal Rajendrakumar Sonavane	1.13	-
Mr. M Parasuraman	0.18	-
Total compensation to Key Management Personnel ##	1.99	1.26

includes sale of old used laptop as per company policy.

includes leasing and hire purchase transaction entered with their respective relatives as mentioned in (b) above.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

e) Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term employee benefits	1.90	1.07
Post-employment gratuity and medical benefits	0.09	0.19
Total compensation paid to Key Management Personnel	1.99	1.26

Note: As the liabilities for defined benefit obligations are provided based on actuarial valuation for the company as a whole, the amount pertaining to Key management personnel has not been included.

f) Loans recoverable from Key Management Personnel of the Company

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net payment/(receipt) of loans & advances		
Mr. Lalit Narayan Dwivedi	0.013	-
Loans recoverable at the year end		
Mr. Lalit Narayan Dwivedi	0.009	-

g) Transactions with Non-whole-time directors

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Sitting Fees	Commission	Sitting Fees	Commission
Name				
Dr. Manoj Vaish	-	-	0.029	0.053
Mrs. Vijay laxmi Joshi	-	-	0.030	0.053
Mr. Arun Kumar Jain	-	-	0.034	0.053
Mr. Anurag Dalmia	0.018	0.060	0.015	0.053
Mr. R. S. Jalan	0.015	0.060	0.015	0.053
Mr. Raman Chopra	0.025	0.060	0.015	0.053
Mr. Neelabh Dalmia	0.018	0.060	0.015	0.053
Justice Ravindra Singh	0.020	0.060	0.012	0.053
Mr. C.R. Rajagopal	0.028	0.060	-	-
Mr. V.K. Jeyakodi	0.020	0.060	-	-
Mrs. Sudha Pillai	0.028	0.060	-	-
	0.172	0.480	0.165	0.424

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

h) Particulars	As at March 31, 2026	As at March 31, 2025
Trade payable		
Business Support Services (net) payable to GHCL Limited	0.03	-
Commission payable to Non-whole time directors (net of tax)	0.43	0.38

Segment information

The Company deals in only one business segment of manufacturing and sale of textile products and the Chief Operating Decision Maker (CODM) reviews the operations of the Company as a whole, hence there is no reportable segments as per Ind AS 108 “Operating Segments”. The management considers that the various goods provided by the Company constitutes single business segment, since the risk and rewards from these products are not different from one another. However the Company has disclosed the following geographical information as follows:

Geographic information

Revenue from external customers

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contract with customers		
- India	1,165.52	967.06
- Outside India	142.16	183.97
Total revenue per statement of profit and loss	<u>1,307.68</u>	<u>1,151.03</u>

Non-Current Operating Assets

Particulars	As at March 31, 2026	As at March 31, 2025
- India	1,190.10	1,025.13
- Outside India	-	-
Total	<u>1,190.10</u>	<u>1,025.13</u>

Notes:

- (i) The revenue information above is based on the locations of the customers.
- (ii) Non-current assets for this purpose consist of Property, plant and equipment and Intangible assets.
- (iii) There are no customers having revenue exceeding 10% of total revenue of the Company

36 Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk.

The Company’s risk management strategy and how it is applied to manage risk are explained in Note 37.

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for period consistent with foreign currency exposure of the underlying transactions, generally upto 4 months. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Particulars	Currency	Unhedged Exposure		Unhedged Exposure	
		As at		As at March 31, 2025	
		March 31, 2026			
		Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
Financial Assets					
Trade Receivables	USD	0.11	10.38	0.19	13.48
	EURO	0.01	1.11	0.06	5.58
Financial Liabilities					
Trade Payables	USD*	0.00	0.16	0.00	0.33

* represents amount less than ₹ 50,000/-

37 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value	Fair value	Carrying value	Fair value
	March 31, 2026	March 31, 2026	March 31, 2025	March 31, 2025
Financial assets measured at Fair value through profit and loss				
Investments (Refer Note 5)	14.15	14.15	0.61	0.61
Derivative instruments (refer note 11B)	1.18	1.18	-	-
Financial assets measured at amortised cost				
Security deposits (refer note 6B)	12.67	12.67	15.17	15.17
Loan to employees (refer note 6A & 11A)	0.37	0.37	0.18	0.18
Other financial assets (refer note 11C)	4.03	4.03	20.21	20.21
Financial liabilities at fair value				
Derivative instruments (refer note 19A) *	-	-	0.00	0.00
Financial liabilities measured at amortised cost				
Term loans (refer note 16A)	-	-	7.15	7.15
Short term borrowings (refer note 16B)	134.22	134.22	56.18	56.18

* represents amount less than ₹ 50,000/-

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, Bank deposits with remaining maturity of more than twelve months, trade receivables, others trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The other financial liabilities represents Capital creditors, Employee benefit related payable and Unpaid dividend, the carrying value of which approximates the fair values as on the reporting date.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

The following methods and assumptions were used to estimate the fair values:

The fair value of the financial assets and liabilities is included at the amount at which the instrument is exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. (Refer Note 38 for the fair valuation method used).

38 The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2026 and March 31, 2025:

Particulars	Date of valuation	Carrying amount	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at Fair value through profit and loss					
Investments in unquoted equity instruments (refer note 5A & C)	March 31, 2026	2.88			2.88
	March 31, 2025	0.61			0.61
Investments in quoted equity instruments (refer note 5B)	March 31, 2026	11.27			11.27
	March 31, 2025	-			-
Derivative instruments (refer note 11B)	March 31, 2026	1.18			1.18
	March 31, 2025	-			-
Financial assets measured at amortised cost					
Security deposits (refer note 6B)	March 31, 2026	12.67			12.67
	March 31, 2025	15.17			15.17
Loan to employees (refer note 6A & 11A)	March 31, 2026	0.37			0.37
	March 31, 2025	0.18			0.18
Other financial assets (refer note 11C)	March 31, 2026	4.03			4.03
	March 31, 2025	20.21			20.21
Financial liability measured at fair value through profit and loss					
Derivative instruments (refer note 19A) *	March 31, 2026	0.00		0.00	
	March 31, 2025	0.00		0.00	
Financial liabilities measured at amortised cost					
Floating rate borrowings (refer note 16)	March 31, 2026	134.22			134.22
	March 31, 2025	63.33			63.33

* represents amount less than ₹ 50,000/-

There have been no transfers between Level 1 and Level 2 during the year.

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets measured at Fair value through profit and loss			
Unquoted equity shares	Level 3	Discounted cash flow	Long-term growth rate for cash flows for subsequent years, weighted average cost of capital, long-term operating margin, discount for lack of marketability
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates
Financial assets measured at amortised cost			
Security deposits	Level 3	Amortised Cost	Prevailing interest rates in the market and future payouts
Loan to employees			
Other financial assets			
Financial liabilities measured at fair value			
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates
Financial liabilities measured at amortised cost			
Borrowings (India)	Level 3	Amortised Cost	Prevailing interest rates in the market and future payouts

39 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, bank balance other than cash and cash equivalent and other financial assets that derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Banking and Operations committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The banking and operations, risk management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

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

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investments, loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2026 and March 31, 2025. The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant.

a) 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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company is not exposed the significant interest rate risks as at March 31, 2026 & March 31, 2025.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax is effected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on PBT
March 31, 2026	+ / (-).50%	'(-) / + 0.43

Particulars	Increase/decrease in basis points	Effect on PBT
March 31, 2025	+ / (-).50%	'(-) / + 0.32

b) 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's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12 month for hedges of forecasted sales and purchases in foreign currency. The hedging is done through foreign currency forward contracts.

Foreign currency sensitivity

Particulars	Change in USD rate	Effect on PBT
March 31, 2026	+ / (-)1%	'(-) / + 0.25

Particulars	Change in USD rate	Effect on PBT
March 31, 2025	+ / (-)1%	'(-) / + 0.13

Particulars	Change in EUR rate	Effect on PBT
March 31, 2026	+ / (-)1%	'(-) / + .003

Particulars	Change in EUR rate	Effect on PBT
March 31, 2025	+ / (-)1%	'(-) / + .006

c) Commodity risk

The Company is impacted by the price volatility of cotton. Cotton is the key raw material. Due to the significant volatility of the price of cotton in international market, the Company has entered into purchase contract with its designated vendor(s). The price in the purchase contract is linked to the certain indices. The Company's commercial department has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

d) 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. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with Banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are categorized and assessed for impairment collectively. The calculation is based on exchange losses historical data. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks 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. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Banking & Operations Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance sheet at March 31, 2026 and March 31, 2025 is the carrying amounts as given in Note 9. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in note on commitments and contingencies and the liquidity table below.

Liquidity risk

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the Company to manage liquidity is to ensure, as far as possible, that it should have sufficient liquidity to meet its respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments :

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

As at March 31, 2026	On Demand	0 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	22.26	111.96	-	-	134.22
Trade payables	-	62.98	-	-	62.98
Other financial liabilities and derivate instrument liability	-	11.60	-	-	11.60
	22.26	186.54	-	-	208.80

As at March 31, 2025	On Demand	0 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	56.18	4.42	2.73	-	63.33
Trade payables	-	41.77	-	-	41.77
Other financial liabilities and derivate instrument liability	-	17.08	-	-	17.08
	56.18	63.27	2.73	-	122.18

Equity price risk

The investments in equity shares of Company are in the form of a deposit which will be returned to the Company at the end of the tenure with no residual interest. Hence there is no equity price risk for investment in equity shares for non listed companies (Refer Note 5)

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio of less than 75%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings (including short term borrowings)	134.22	63.33
Trade payables	62.98	41.77
Other financial liabilities	11.60	17.08
Less: Cash and cash equivalents	0.69	2.22
Net debt	208.11	119.96
Equity	1,502.49	1,437.38
Capital and net debt	1,710.60	1,557.34
Gearing ratio	12.17%	7.70%

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

41 Other statutory information

- a. The Company does not have any Benami property under Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. The Company does not have any transactions with Companies struck off.
- c. The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory year.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g. The Company does not any such transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- h. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- i. **Ratio Analysis and its elements**

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variation	Reason for variance
(a) Current Ratio (times)	Current Assets	Current Liabilities	2.79	3.55	-21.54%	
(b) Debt-Equity Ratio (times)	Total Debt	Shareholders Equity	0.09	0.04	123.33%	Mainly on account of higher short term borrowings as of March 31, 2026 as compared to March 31, 2025.

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variation	Reason for variance
(c) Debt Service Coverage Ratio (times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest + Principal Repayments	0.41	2.29	-82.28%	Mainly on account of reduction in debt obligations due to repayment of borrowings coupled with improvement in profitability during the year, the debt service coverage ratio has improved compared to the previous year.
(d) Return on Equity Ratio (%)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	4.79%	3.97%	20.59%	
(e) Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	2.71	2.44	10.96%	
(f) Trade Receivables turnover ratio (times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivables	9.16	9.82	-6.71%	
(g) Trade payables turnover ratio (times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	19.43	21.80	-10.89%	
(h) Net capital turnover ratio (times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.22	3.44	-6.53%	
(i) Net profit ratio (times)	Net Profit	Net sales = Total sales - sales return	5.38%	4.86%	10.73%	
(j) Return on Capital employed (%)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	5.53%	4.20%	31.60%	On account of higher earning before interest and taxes earned during the year, there is significant improvement in the ratio.
(k) Return on investment- Mutual fund (%)	Profit on sale of current investments	Average Investment	4.15%	6.27%	-33.74%	Mainly on account of higher gain on investment in mutual funds in previous year as compared to current year, there is a variance in the ratio.
(l) Operating profit Margin (%)	Earning before interest and taxes	Revenue from operations	7.45%	5.69%	30.90%	On account of higher earning before interest and taxes earned during the year, there is significant improvement in the ratio.
(m) Return on Net Worth (%)	Total comprehensive income for the year, net of tax	Net worth	4.65%	3.92%	18.66%	

42 Assets held for Sale

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Assets classified as held for Sale		
Plant and Equipments (refer note (i))	-	5.52
Freehold Land (refer note (ii))	0.23	0.36
	0.23	5.88

- (i) During the year ended March 31, 2025, the Board of Directors, at their meeting held on February 03, 2025, approved the discontinuation of production at the outdated Kaveri section of the Manapparai Unit. This decision was primarily driven by the high repair and maintenance costs associated with the ageing machinery. The proceeds from the sale of the section's assets will be strategically reinvested in modernizing other parts of the unit, with a focus on enhancing value-added product lines. Production activities at the Kaveri section were officially discontinued with effect from March 24, 2025. The Company had assessed the impact of this discontinuation in the previous year ended March 31, 2025 and concluded that there is no significant effect on its financial statements or overall operations.

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	5.52	-
Add: Transferred from property, plant and equipment	-	5.52
Less: Sold during the year	3.27	-
Less: Transferred to property, plant and equipment (Gross block : ₹ 6.73 crores and accumulated depreciation : ₹ 4.48 crores)*	2.25	-
Closing balance	-	5.52

*During the current year ended March 31, 2026, considering the revised business requirements, the Company plans to utilise certain assets earlier classified as assets held for sale at Manaparai and Madurai units. These assets having net book value of ₹ 2.25 crores have been reclassified to property, plant & equipment which had earlier disclosed as "assets held for sale" in the financial statements for the year ended March 31, 2025.

- (ii) The management has land of 0.47 acres (March 31, 2025: 0.72 acres) outside the premises of factory at Madurai, that is being disposed off and is classified as asset held for sale in accordance with Ind AS 105 "/Non-current Assets Held for Sale and Discontinued Operations".

Particulars	As at March 31, 2026		As at March 31, 2025	
	Acres	Amount	Acres	Amount
Opening balance	0.72	0.36	0.72	0.36
Less: Sold during the year	0.25	0.13	-	-
Closing balance	0.47	0.23	0.72	0.36

Notes to the Financial Statements as at and for the year ended March 31, 2026
(₹ in crores unless specified otherwise)

43 Audit Trail

The Company has used accounting software (SAP) for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software except the audit trail is not enabled for direct changes to database using certain access rights till 6th May 2025. Wherever audit trail is enabled, there have not been any instance of audit trail feature being tampered with in respect of accounting software.

Also, the Company has used third party accounting software (Facto HR) for maintaining its payroll related books of account which has a feature of recording audit trail (edit log) facility except for direct changes to the database using certain access rights. Wherever audit trail is enabled, there have not been any instance of audit trail feature being tampered with in respect of third party accounting software.

Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years.

- 44** The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes, namely the Code on Wages, 2019; the Code on Social Security, 2020 the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the “Codes”). The Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and estimated and recognized the impact of implementation of the New Labour Codes under Employee benefits expense for the year ended 31 March 2026, which is not material to the results for the quarter and year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

45 Events after the reporting period

The board of directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer note 15C for details.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

Sd/-

per Sonika Loganey

Partner

Membership No. 502220

Place : Noida

Date: April 30, 2026

For and on behalf of the Board of Directors of

GHCL Textiles Limited (CIN : L18101GJ2020PLC114004)

Sd/-

Anurag Dalmia

Chairman

DIN: 00120710

Sd/-

C. R. Rajagopal

Non-Executive Director

DIN: 08853688

Place : Noida

Date: April 30, 2026

Sd/-

Marshal Sonavane

(Chief Executive officer)

Sd/-

Lalit N. Dwivedi

(Company Secretary)

Membership No. FCS10487

Sd/-

Parasuraman M

(Chief Financial officer)



“GHCL House”

**Opp. Punjabi Hall, Navrangpura
Ahmedabad -380009 (Gujarat)**