INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
GARWARE TECHNICAL TEXTILE PRIVATE LIMITED

1. Opinion

We have audited the accompanying Financial Statements of **GARWARE TECHNICAL TEXTILE PRIVATE LIMITED** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes to Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as " Financial Statements").

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 ("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, and Profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the 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 opinion.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the

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

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

4. 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 in the Financial Statements made by the Management and Board of Directors;

- Conclude on the appropriateness of the Management's and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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

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

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

5. Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

II. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards (Ind AS) specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The Company did not have any pending litigations on as on the date of Balance Sheet.

   (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   (iii) The Company was not required to transfer any amount to Investor Education and Protection Fund hence the question of delay does not arise.

   (iv)(i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (ii) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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

   (iii) Based on such audit procedures, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

   (v) The Company has not declared any dividend during the year.

(vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention

III. During the year, the Company has not paid any remuneration to its Directors and hence reporting under Section 197 (16) is not required.

For Mehta Chokshi & Shah LLP
Chartered Accountants
FRN: 106201W/W100598

Sd/-

Rakesh Agarwal
(Partner)
M.No: 170685
UDIN: 26170685UKDFXG3081

Place: Pune
Date: May 20, 2026

Annexure - A to the Independent Auditors' Report

[Referred to in paragraph 5 (I) of our report of even date]

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of Garware Technical Textile Private Limited on the Financial Statements for the year ended March 31, 2026, we report the following:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property plant and equipment by which all material items of property plant and equipment are periodically verified by the management according to phased programme. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) As per information and explanations given to us and on the basis of examination of records of the Company, the Company does not have any immovable property held in its name. Hence, the question of title deeds being recorded in the name of the Company does not arise.

(d) During the year, the Company has not made any revaluation of its property plant and equipment or its intangible assets. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on the aforesaid verification.

(b) As per information and explanation given to us, the Company has not obtained any borrowing and hence paragraph 3 (ii)(b) of the Order is not applicable.

(iii) As per information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3 (iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments/guarantee/securities and hence the paragraph 3 (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, paragraph 3(v) of the Order is not applicable.

(vi) In our opinion, and according to the information and explanations given to us, the maintenance of cost record is not prescribed to the Company and hence the paragraph 3 (vi) of the Order is not applicable.

(vii) a. Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

b. According to the information and explanation given to us, there are no dues outstanding with respect to income tax, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, paragraph 3 (viii) of the Order is not applicable.

(ix) According to the information and explanations given to us, the Company has not obtained any borrowing and hence paragraph 3 (ix) of the Order is not applicable.

(x) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the period. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence paragraph 3(x)(b) of the Order is not applicable.

(xi) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) In accordance with Section 138(1) of the companies Act, 2013, the Company is not required to appoint an Internal Auditor to conduct Internal Audit of the functions and activities of the Company. Hence, paragraph 3 (xiv) (b) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records, during the period, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under this clause is not applicable.

(b) As per the information and explanation given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities and hence, reporting under this clause is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under this clause is not applicable.

(d) There are no Core Investment Companies as a part of the Group and therefore, reporting under this clause is not applicable.

(xvii) During the year, the Company has not incurred cash loss during the year under audit, whereas in previous year it incurred cash loss of ₹ 341.49 thousands.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) In our opinion, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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) In our opinion and according to the information and explanations given to us, the provisions of Section 135 of the Act are not applicable and hence the paragraph 3 (xx) of the Order is not applicable.

For Mehta Chokshi & Shah LLP
Chartered Accountants
FRN: 106201W/W100598

Sd/-

Rakesh Agarwal
(Partner)
M.No: 170685
UDIN: 26170685UKDFXG3081

Place: Mumbai
Date: May 20, 2026

Annexure - B to the Independent Auditors' Report on the Financial Statements of Garware Technical Textile Private Limited for the period ended 31 March 2026

Report on the internal financial controls with reference to the Aforesaid Financial Statements under paragraph (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013.

(Referred to in paragraph 5 (II) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to the Financial Statements of Garware Technical Textile Private Limited (hereinafter referred to as "the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the period ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements were established and maintained and whether 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 the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to the 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 the Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Mehta Chokshi & Shah LLP
Chartered Accountants
FRN: 106201W/W100598
Sd/-
Rakesh Agarwal
(Partner)
M.No: 170685
UDIN: 26170685UKDFXG3081

Place: Pune
Date: May 20, 2026

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2026

(Rs. in Thousands)

	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
A	**ASSETS**			
(1)	**Non-current assets**			
(a)	Property, Plant and Equipment	3	**893.76**	1,035.09
(b)	Right of Use Assets	4	**924.88**	1,453.38
	Total Non-Current Assets		**1,818.64**	2,488.47
(2)	**Current Assets**			
(a)	Inventories	5	**8,785.28**	3,255.61
(b)	Financial Assets			
	(i) Trade Receivables	6	**2,118.86**	3,126.07
	(ii) Cash and Cash Equivalents	7	**2,075.53**	734.95
(c)	Other Current Assets	8	**1,247.59**	1,158.80
	Total Current Assets		**14,227.26**	8,275.43
	TOTAL - ASSETS		**16,045.90**	10,763.90
B	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
(a)	Equity Share Capital	9	**100.00**	100.00
(b)	Other Equity	10	**(107.08)**	(2,077.88)
	Total Equity		**(7.08)**	(1,977.88)
(2)	**LIABILITIES**			
	Non-Current Liabilities			
(a)	Financial Liabilities			
	(i) Lease Liability	11	**498.01**	1,047.77
	Total Non-current liabilities		**498.01**	1,047.77
(3)	**Current Liabilities**			
(a)	Financial Liabilities			
	(i) Short Term Borrowings	12	**5,800.00**	4,000.00
	(ii) Lease Liabilities	11	**571.11**	499.50
	(iii) Trade Payables	13		
	Dues to Micro Enterprises and Small Enterprises		**-**	-
	Dues to Other than Micro Enterprises and Small Enterprises		**9,155.58**	4,991.97
(b)	Other Current Liabilities	14	**28.28**	2,202.54
	Total Current Liabilities		**15,554.97**	11,694.01
	TOTAL - EQUITY AND LIABILITIES		**16,045.90**	10,763.90

The accompanying notes are an integral part of Financial Statements

As per our Report of even date

For MEHTA CHOKSHI & SHAH LLP
Chartered Accountants,
F.R.NO.: 106201W/W100598

Sd/-

(RAKESH AGARWAL)
PARTNER
M.NO.170685

Pune
Date: May 20, 2026
UDIN: 26170685UKDFXG3081

On behalf of the Board of Directors

Sd/-

SUNIL AGARWAL
Director
DIN: 02532282

Sd/-

S. S. RAJPATHAK
Director
DIN: 00040387

Pune
Date: May 20, 2026

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Thousands)

	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
1	**INCOME**			
	Revenue from Operations	15	6,549.02	3,859.35
	Total Income		6,549.02	3,859.35
2	**EXPENSES**			
	Cost of Materials Consumed	16	3,990.51	2,718.79
	Purchases of stock-in-trade		-	10.50
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	17	(3,693.90)	(2,065.08)
	Employee Benefits Expenses	18	-	14.07
	Finance Cost	19	405.73	383.23
	Depreciation and Amortisation Expenses		669.83	670.74
	Other expenses	20		
	i) Processing and Testing Charges		1,801.93	1,743.27
	ii) Others		1,404.12	1,396.05
	Total Expenses		4,578.22	4,871.57
	Profit Before Tax		1,970.80	(1,012.22)
	Tax Expenses			
	1. Current Tax		-	-
	2. Deferred Tax		-	-
	Total tax expenses		-	-
	Profit after tax		1,970.80	(1,012.22)
	Earnings per equity share (Nominal value per share Rs. 10 each)			
	Basic and Diluted (in Rs.)	23	197.08	(101.22)

The accompanying notes are an integral part of Financial Statements

As per our Report of even date

On behalf of the Board of Directors

For MEHTA CHOKSHI & SHAH LLP
Chartered Accountants,
F.R.NO.: 106201W/W100598

Sd/-

(RAKESH AGARWAL)
PARTNER
M.NO.170685

Pune
Date: May 20, 2026
UDIN: 26170685UKDFXG3081

Sd/-

SUNIL AGARWAL
Director
DIN: 02532282

Sd/-

S. S. RAJPATHAK
Director
DIN: 00040387

Pune
Date: May 20, 2026

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Thousands)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
I.	**Cash flow from operating activities**		
	Profit before tax	**1,970.80**	(1,012.22)
	Adjustments for:		
	Finance cost	**405.73**	383.23
	Depreciation and Amortisation Expenses	**669.83**	670.74
	(Profit)/ loss on sale of property, plant and equipment		(47.78)
	Operating profit before working capital changes	**3,046.36**	(6.03)
	Working capital adjustments:		
	(Increase)/ decrease in trade & other receivable and other assets	**918.42**	(3,313.53)
	(Increase)/ decrease in inventories	**(5,529.66)**	(2,649.21)
	Increase/ (decrease) in trade and other payables	**1,989.35**	2,539.89
	Cash generated from operations	**424.47**	(3,428.88)
	Direct taxed paid (net of refunds)	-	(0.74)
	Net cash from operating activities	**424.47**	(3,429.62)
II.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment and intangible assets (including capital advances paid)	-	(450.40)
	Proceeds from sale of property, plant and equipment	-	2,076.38
	Net cash from investing activities	-	1,625.98
III.	**Cash flow from financing activities**		
	Interest and financial charges paid	**(302.43)**	(243.76)
	Payment of lease liability	**(581.46)**	(621.35)
	Loan proceeds received from parent company	**2,500.00**	1,500.00
	Repayment of loan from parent	**(700.00)**	-
	Net cash used in financing activities	**916.11**	634.89
	Net increase/ (decrease) in cash & cash equivalents (I+II+III)	**1,340.58**	(1,168.75)
	Cash & cash equivalents at the beginning of the year	**734.95**	1,903.70
	Cash & cash equivalents at the end of the year	**2,075.53**	734.95

Notes:

1 Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

2 For the purpose of Consolidated Statement of Cash Flow, Cash and Cash Equivalents comprises the following:

(Rs. in Thousands)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Cash on hand	**13.27**	13.27
Balances with banks in current accounts	**2,062.26**	721.68
Total	**2,075.53**	734.95

3 **Reconciliation of cash flow in liabilities arising from financing activities:**

(Rs. in Thousands)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Opening liability (Borrowings)	**4,000.00**	2,500.00
Changes from financing cash flows	**1,800.00**	1,500.00
Closing liability (Borrowings)	**5,800.00**	4,000.00

The accompanying notes are an integral part of Financial Statements

As per our Report of even date

For MEHTA CHOKSHI & SHAH LLP
Chartered Accountants,
F.R.NO.: 106201W/W100598

Sd/-

(RAKESH AGARWAL)
PARTNER
M.NO.170685

Pune
Date: May 20, 2026
UDIN: 26170685UKDFXG3081

On behalf of the Board of Directors

Sd/-

SUNIL AGARWAL
Director
DIN: 02532282

Sd/-

S. S. RAJPATHAK
Director
DIN: 00040387

Pune
Date: May 20, 2026

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Thousands)

Particulars	Equity Share Capital	Retained earnings	Other Equity
Balance as at April 1, 2024	**100.00**	**(1,065.66)**	**(1,065.66)**
Profit for the year		(1,012.22)	(1,012.22)
Balance as at March 31, 2025	**100.00**	**(2,077.88)**	**(2,077.88)**
Profit for the year		1,970.80	1,970.80
Balance as at March 31, 2026	**100.00**	**(107.08)**	**(107.08)**

As per our Report of even date

For MEHTA CHOKSHI & SHAH LLP
Chartered Accountants,
F.R.NO.: 106201W/W100598

Sd/-

(RAKESH AGARWAL)
PARTNER
M.NO.170685

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DIN: 00040387

Pune
Date: May 20, 2026

1 **COMPANY INFORMATION**

Garware Technical Textile Private Limited (the "Company") is incorporated under the Provision of Companies Act, 2013 and domiciled in India. The Company has its the Registered Office and principal place of business at Plot No.11, Block D-1,MIDC, Pune - 411019, Maharashtra.

The Company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

2 **Material Accounting Policies Accounting Judgements , Estimates and Assumptions and Recent accounting Pronouncements:**

(A) Material Accounting Policies:

2.1 Statement of compliance and basis of preparation of Financial Statements:

The Financial Statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

The Financial Statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities and defined benefit plans measured at fair value Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

2.2 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents. The Company has considered an operating cycle of 12 months.

2.3 Property, plant and equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.
- Major inspection/ repairs/ overhauling expenses are recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.

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 or Loss when the asset is derecognised.

2.4 Depreciation:

Depreciation on Property, Plant and Equipment is provided on different class of assets on the following basis:

Type of asset	Method	Useful Life
Plant and Machinery	Straight-Line	25 Years
Office Equipment	Straight-Line	3 / 5 Years

Depreciation on additions to Property Plant and Equipment is provided on pro-rata basis from the date of acquisition or installation, and in case of new project from the date of commencement of commercial production.

Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

Cost of Leasehold Land and improvement is written off over the period of Lease.
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.

2.5 Impairment of Property Plant & Equipment and Intangible Assets

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.6 Inventories

Inventories are stated at lower of cost or net realisable value. The costs of various categories of inventories are arrived at as follows :

a) Stores, spares, fuel & packing materials and raw materials - at costs determined on moving weighted average method.

b) Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business.

2.7 Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods and traded goods.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

Interest Income:
For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

2.10 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.

(i) Financial Assets:
Initial Recognition and Measurement:
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.

Subsequent Measurement:
Financial Assets at Amortised Cost:
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.

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 any fees or costs that are an integral part of the EIR.

Financial Assets at FVTPL
Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. All other financial assets are measured at fair value through profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

i) The rights to receive cash flows from the asset have expired, or
ii) 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.

Impairment of financial assets
The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Trade Receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the Company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the Company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

ii) Financial Liabilities:

Initial Recognition and Measurement:

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 including bank overdrafts.

Subsequent Measurement of Loans and Borrowings:

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.

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.

(iii) 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 an asset and settle the liabilities simultaneously.

(iv) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

2.11 Borrowing Costs

Borrowing costs comprising of interest and other costs that are incurred in connection with the borrowing of funds, that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred .

2.12 Leases:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether:
(i) the contact involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method. The Company has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2.13 Foreign Currency Transactions:

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date 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.

Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.14 Taxes on Income:

Current Income Taxes:

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.

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases 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, when the deferred tax liability arises from 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

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.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

2.15 Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any 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.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

2.16 Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

2.17 Cash Flow Statement

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

(B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

2.18 Estimates Assumptions and Judgements:

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.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Estimation of current tax expense and deferred tax:

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

b) Recognition of deferred tax assets/ liabilities:

The recognition of deferred tax assets/ liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts.

(C) Recent accounting pronouncements

2.19 Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.MCA has notified following amendment which is not yet effective for financial year 2025-26:

Amendment to Ind AS 1 'Presentation of Financial Statements'

The amendment is relating to classification of liabilities as current or non-current on account of covenant compliance as at reporting date. The amendment is effective for annual periods beginning on or after April 01, 2026 and the Company is not expected to have material impact of the amendment.

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2026

3 Property, Plant and Equipment (Rs. in Thousands)

Particulars	Plant and Machinery	Office Equipments	Vehicles	Total
Gross Carrying Value (at cost or deemed cost)				
Gross Block				
As at April 1, 2024	731.00	-	-	731.00
Additions	176.56	273.85	-	450.40
Disposals	-	-	-	-
As at March 31, 2025	**907.56**	**273.85**	**-**	**1,181.40**
Additions				-
Additions through business combinations				-
Disposals				-
Effect of foreign currency translation				-
As at March 31, 2026	**907.56**	**273.85**	**-**	**1,181.40**
Accumulated Depreciation and Impairment				
As at April 1, 2024	4.10	-	-	4.10
Charge for the year	102.48	39.72		142.20
Disposals	-	-	-	-
As at March 31, 2025	**106.58**	**39.72**	**-**	**146.31**
Charge for the year	86.22	55.11		141.33
Disposals				-
Effect of foreign currency translation				-
As at March 31, 2026	**192.80**	**94.83**	**-**	**287.64**
Net Carrying Value				
As at March 31, 2026	**714.76**	**179.02**	**-**	**893.76**
As at March 31, 2025	800.98	234.13	-	1,035.09

Notes:

3.1 There were no immovable properties whose title deeds were not held in the name of the Company.

4 Right of Use Assets (Rs. in Thousands)

Particulars	Leasehold Land
Gross Carrying Value	
As at April 1, 2024	4,274.51
Additions	-
Disposals	(2,029.10)
As at March 31, 2025	**2,245.41**
Additions	-
Disposals	-
As at March 31, 2026	**2,245.41**
Accumulated Depreciation	
As at April 1, 2024	263.50
Charge for the year	528.53
Disposals	-
As at March 31, 2025	**792.03**
Charge for the year	528.50
Disposals	
As at March 31, 2026	**1,320.53**
Net Carrying Value	
As at March 31, 2026	**924.88**
As at March 31, 2025	1,453.38

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2026

5 Inventories

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Materials	**2,375.15**	426.68
Finished Goods (Including Goods-in-Transit)	**6,229.68**	2,535.78
Traded Goods	-	-
Stores, Spares, Fuel and Packing Materials	**180.45**	293.15
Total	**8,785.28**	3,255.61

6 Trade Receivables

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good (includes retention money)	**2,118.86**	3,126.07
Receivables which have significant increase in credit risk	-	-
Less: Allowance for bad and doubtful receivable	-	-
Total	**2,118.86**	3,126.07

6.1

Ageing of trade receivable as at March 31, 2026	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							-
- Considered Good	2,118.86	-	-	-	-	-	2,118.86
- which have significant increase in credit risk	-	-	-	-	-	-	-
							-
Disputed trade receivables							-
- Considered Good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
Total Trade Receivables (Gross)	2,118.86	-	-	-	-	-	2,118.86

Ageing of trade receivable as at March 31, 2025	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							-
- Considered Good	984.67	1,814.00	327.40	-	-	-	3,126.07
- which have significant increase in credit risk	-	-	-	-	-	-	-
							-
Disputed trade receivables							-
- Considered Good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
Total Trade Receivables (Gross)	984.67	1,814.00	327.40	-	-	-	3,126.07

7 Cash and Cash Equivalents

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	**13.27**	13.27
Balances with banks in current accounts	**2,062.26**	721.68
Total	**2,075.53**	734.95

8 Other CurrentAssets

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Balances with Government authorities	**1,046.11**	569.70
Advance to Vendors	**201.48**	589.10
Total	**1,247.59**	1,158.80

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2026

9 Equity Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Rs. in Thousands	Number of Shares	Rs. in Thousands
Authorised Share Capital				
Equity Shares of Rs. 10/- each	**10,000**	**100.00**	10,000	100.00
	10,000	**100.00**	10,000	100.00
Issued, Subscribed and Fully Paid up				
Equity Shares of Rs. 10/- each	**10,000**	**100.00**	10,000	100.00
	10,000	**100.00**	10,000	100.00

9.1 Reconciliation of the equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Rs. in lakhs	Number of Shares	Rs. in lakhs
Opening Balance	**10,000**	**100.00**	10,000	100.00
Issued during the year	**-**	**-**	-	-
Closing Balance	**10,000**	**100.00**	10,000	100.00

9.2 Rights, Preferences and restrictions attached to Equity Shares:
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled for one vote per share. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting . In the event of liquidation of the Company, the shareholders of equity shares are eligible to receive remaining assets of the Company, in proportion of their shareholding, after distribution of all preferential amounts, if any.

9.3 Details of Shareholders holding more than 5% Shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	% holding	Number of Shares	% holding
Garware Technical Fibres Limited	**9,999**	**99.99%**	9,999	99.99%
Shridhar Shrikrishna Rajpathak*	**1**	**0.01%**	1	0.01%

* Beneficial interest is held by M/s. Garware Technical Fibres Limited

9.4 Details of aggregate number of shares issued as bonus shares and bought back in last 5 years: Nil

9.5 Share held by the promoters at end of the year

Name	As at March 31, 2026		As at March 31, 2025		% change during the year
	Number of Shares	% holding	Number of Shares	% holding	
Promoter					
Garware Technical Fibres Limited (incl. beneficial interest)	**10,000**	**100.00%**	10,000	100.00%	-

10 Other Equity

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
Retained Earnings	**(107.08)**	(2,077.88)
Total	**(107.08)**	(2,077.88)

Nature and purpose of reserve:
Retained Earnings
This reserve represents undistributed accumulated earnings of the Group as on the balance sheet date.

11 Lease Liabilities

(Rs. in Thousands)

Particulars	Non- current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Lease liabilities	**498.01**	1,047.77	**571.11**	499.50
Total	**498.01**	1,047.77	**571.11**	499.50

12 Short Term Borrowing

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured Borrowing from parent company	**5,800.00**	4,000.00
Total	**5,800.00**	4,000.00

12.1 Unsecured borrowings availed from parent company is payable on demand and an interest of 7.00% p.a. is payable.

13 Trade payable

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
(Measured at amortised cost)		
Outstanding dues of Micro Enterprises & Small Enterprises	-	-
Outstanding dues of creditors other than Micro Enterprises & Small Enterprises	**9,155.58**	4,991.97
Total	**9,155.58**	4,991.97

13.1

Ageing of trade payable as at March 31, 2026	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues to MSME	-	-	-	-	-	-
Undisputed dues to Others	2,278.64	28.72	3,087.85	-	-	5,395.21
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to Others	-	-	-	-	-	-
Total	**2,278.64**	**28.72**	**3,087.85**	**-**	**-**	**5,395.21**
Accruals						3,760.38
Total Trade payable						**9,155.58**

Ageing of trade payable as at March 31, 2025	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues to MSME	-	-	-	-	-	**-**
Undisputed dues to Others	65.89	4,926.08	-	-	-	**4,991.97**
Disputed dues to MSME	-	-	-	-	-	**-**
Disputed dues to Others	-	-	-	-	-	**-**
Total	**65.89**	**4,926.08**	**-**	**-**	**-**	**4,991.97**
Accruals						-
Total Trade payable						**4,991.97**

14 Other Current liabilities

(Rs. in Thousands)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance received from customers	-	2,153.16
Statutory dues and other liabilites	**28.28**	49.38
Total	**28.28**	2,202.54

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2026

15 Revenue from operations

(Rs. in Thousands)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Products and Services		
Manufactured Goods	**6,549.02**	3,859.35
Total	**6,549.02**	3,859.35

15.1 Reconciliation of Revenue from operations with contract price	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract price	**6,549.02**	3,859.35
Less: Discounts and Incentives	**-**	-
Total Revenue from operations	**6,549.02**	3,859.35

16 Cost of materials consumed

(Rs. in Thousands)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	**426.68**	135.70
Add: Purchases	**5,938.98**	3,009.77
Less: Closing stock	**(2,375.15)**	(426.68)
Total	**3,990.51**	2,718.79

17 Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Rs. in Thousands)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock		
Finished Goods	**2,535.78**	470.70
	2,535.78	470.70
Closing stock		
Finished Goods	**6,229.68**	2,535.78
	6,229.68	2,535.78
Changes in inventories	**(3,693.90)**	(2,065.08)

18 Employee benefit expenses

(Rs. in Thousands)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Staff welfare expenses	**-**	14.07
Total	**-**	14.07

19 Finance costs

(Rs. in Thousands)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on borrowings*	**285.87**	224.35
Interest expense on Lease Liability	**103.30**	139.47
Bank charges	**16.56**	19.41
Total	**405.73**	383.23

* includes Rs. 285.87 thousands (Previous year : Rs. 224.35 thousands) on account of interest on borrowings from related parties.

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2026

20 Other expenses

(Rs. in Thousands)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stores and Spares consumed	**644.00**	103.50
Power, Fuel and Water Charges	**29.00**	45.04
Processing and Testing Charges	**1,801.93**	1,743.27
Rent	**(28.78)**	-
Rates and Taxes	**40.87**	15.50
Insurance	**32.97**	3.00
Freight and Forwarding Charges	**96.66**	207.83
Repairs and Maintenance	**-**	37.35
Legal and Professional Charges	**904.40**	960.49
Remuneration to statutory auditors		
Audit Fees	**25.00**	30.00
Fees for other Services	**-**	-
Out of pocket expenses	**-**	-
Establishment and other miscellaneous expenses	**11.30**	49.33
Exchange (Gain) / Loss (net)	**(351.30)**	(8.21)
(Profit) / Loss on sale of fixed assets/ asset discarded	**-**	(47.78)
Total	**3,206.05**	**3,139.32**

21. Operating segment

Reporting under Ind AS 108 is not applicable as the Company's business activities falls within a single business segment. All of the non current assets of the Company are situated in India.

Information about major customers

The Company has single customer for the year ended March 31, 2026 and March 31, 2025.

22. Related Party Disclosure

I. List of Related Parties & Relationship:

A. Parent/ Holding Company

1. Garware Technical Fibres Limited

B. Executive Directors - Key Management Personnel (KMP)

1. Mr. V. R. Garware

II. Transactions and Balances with related parties

(Rs. in Thousands)

Transactions with related parties	**Holding Company**
Purchase of Goods / Services	2,212.75
	-
Loans received from parent	2,500.00
	1,500.00
Repayment made of loan from parent	700.00
	-
Interest paid on loan from parent	286.87
	224.35

(Rs. in Thousands)

Balances with related parties	**Holding Company**
Loan payable (borrowings)	5,800.00
	4,000.00
Trade & other payables	4,376.32
	2,142.16

(Amounts in Italics font pertains to previous year)

23. Earnings Per Share (EPS)

Particulars	**Unit of measurement**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Profit after tax	Rs. in Thousands	**1,970.80**	(1,012.22)
Weighted average number of Equity Shares of Rs. 10 each	Numbers	**10,000.00**	10,000.00
Basic and diluted earnings per share	Rs.	**197.08**	(101.22)

24. Finacial Instruments

a. Financial instruments by category

(Rs. in Thousands)

Particulars	**As at March 31, 2026**		**As at March 31, 2025**	
	Carrying value	**Fair value**	**Measured at amortised cost**	**Measured at FVTOCI**
Financial assets measured at amortised cost				
Trade receivables	**2,118.86**	**2,118.86**	3,126.07	3,126.07
Cash and Bank Balances	**2,075.53**	**2,075.53**	734.95	734.95
Total Financial Assets	**4,194.39**	**4,194.39**	3,861.02	3,861.02
Financial Liabilities at amortised cost				
Trade payable	**9,155.58**	**9,155.58**	4,991.97	4,991.97
Lease liabilities	**1,069.12**	**1,069.12**	1,547.27	1,547.27
Borrowings	**5,800.00**	**5,800.00**	4,000.00	4,000.00
Total Financial Liabilities	**16,024.70**	**16,024.70**	10,539.24	10,539.24

Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments

(i) The management assesses that fair value of cash and bank balances, trade receivables, trade payables and short term borrowings and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Fair value of lease liabilities approximates to carrying value due to discounting of future cash flows.

b. Financial risk management objectives

The Company is exposed to market risk (including currency risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance.

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 prices comprises of risks relating to interest rate risk and other price risks such as equity price risk and commodity price risk. Financial instruments affected by market risks mainly include borrowings, deposits and investments.

GARWARE TECHNICAL TEXTILE PRIVATE LIMITED
Notes to the Financial Statements for the year ended March 31, 2026

Foreign currency risk management
Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's foreign currency exposure arises mainly from exports in foreign currency, primarily with respect to USD. The Company manages its foreign currency risk generally by taking customer advances and monitoring the overall exposure within the permitted threshold.

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).

Trade Receivable - Customer credit risk is managed by SCM team subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and followed up.

Liquidity risk
Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Companyh has availed unsecured short term loans from its parent company, on need basis to meet its working capital requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. in Thousands)

As at March 31, 2026	**within 1 year**	**1 - 5 years**	**More than 5 years**	**Total**
Trade payables	9,155.58	-	-	9,155.58
Borrowings	5,800.00	-	-	5,800.00
Lease liabilities	633.00	492.00	-	1,125.00

(Rs. in Thousands)

As at March 31, 2025	**within 1 year**	**1 - 5 years**	**More than 5 years**	**Total**
Trade payables	4,991.97		-	4,991.97
Borrowings	4,000.00	-	-	4,000.00
Lease liabilities	602.80	1,125.21		1,728.01

25. Leases

(Rs. in Thousands)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
(i) Carrying value of right of use assets at the end of the reporting period (Refer Note 4)	**924.88**	1,453.38
(ii) Movement of lease liabilities		
Opening lease liabilities	**1,547.27**	4,058.79
Addition during the year /period	**-**	-
Interest Cost	**103.30**	139.47
Cash outflow towards payment of lease liabilities	**(581.46)**	(621.35)
Deletion during the year on account of termination of lease	**-**	(2,029.64)
Closing lease liabilities	**1,069.12**	1,547.27
(iii) Maturity analysis of lease liabilities (on undiscounted basis)		
Less than 1 year	**633.00**	602.80
Between 1-5 years	**492.00**	1,125.21
More than 5 years	**-**	-
	1,125.00	1,728.01
(iv) Lease liabilities included in statement of financial position		
Current	**571.11**	499.50
Non-current	**498.01**	1,047.77
(v) Impact on statement of profit and loss		
Interest on lease liabilities	**103.30**	139.47
Depreciation on right of use assets	**528.50**	528.53
Net impact on profit before tax	**631.80**	668.00
(vi) Rent Expenses (on short term or low value leases)	**(28.78)**	-

26. The figures of previous year have been regrouped / rearranged, wherever necessary to conform to current year's presentation.

As per our Report of even date

For MEHTA CHOKSHI & SHAH LLP
Chartered Accountants,
F.R.NO.: 106201W/W100598

Sd/-

(RAKESH AGARWAL)
PARTNER
M.NO.170685

Pune
Date: May 20, 2026
UDIN: 26170685UKDFXG3081

On behalf of the Board of Directors

Sd/-

SUNIL AGARWAL
Director
DIN: 02532282

Sd/-

S. S. RAJPATHAK
Director
DIN: 00040387

Pune
Date: May 20, 2026