SPORTKING INDIA LIMITED

ANNUAL REPORT
2025-26

PREMIUM QUALITY

GLOBAL STANDARDS

GLOBAL PRESENCE

TRUSTED PARTNER

LEADING TEXTILE EXPORTER

Delivering value across the globe with innovation, reliability & excellence.

35+ YEARS OF LEGACY

Built on quality. Driven by people.

BOARD OF DIRECTORS

Mr. Munish Avasthi	**Chairman and Managing Director**
Mrs. Anjali Avasthi	**Non-Executive Non Independent Director**
Mr. Chetan Rupal	**Executive Director**
Dr. Sandeep Kapur	**Independent Director**
Mrs. Harpreet Kaur Kang	**Independent Director**
Mr. Puneet Singhania	**Independent Director**

CHIEF FINANCIAL OFFICER
Mr. Sandeep Sachdeva

COMPANY SECRETARY AND COMPLIANCE OFFICER
Mr. Lovlesh Verma

BANKERS:

State Bank of India
IFB Branch, Golden Tower,
Dholewal Chowk, Ludhiana-141003

Punjab National Bank
Large Corporate Branch
Industrial Area-A, Ludhiana - 141003

Union Bank of India
MCB Branch Premises No. 5, Dashmesh Complex,
New Lajpat Nagar, Pakhowal Road, Ludhiana -141001

Indian Bank
LCB Branch, 165, Industrial Area,
Cheema Chowk, Ludhiana - 141003

Export Import Bank of India Ltd.
C- 213, Second floor Elante Offices,
Plot No. 178-178 A Industrial Area. Phase-1
Chandigarh – 160002

Bank of India
ECCB, Basement, SCF-35,
G-Block, BRS Nagar,
Ludhiana Punjab - 141003

Yes Bank Limited
B-XX/2427-928, Gobind Nagar,
Ludhiana-141001

STATUTORY AUDITORS
SCV & Co. LLP
Chartered Accountants, Ludhiana

SECRETARIAL AUDITOR
Sunny Kakkar & Associates
Company Secretaries, Ludhiana

COST AUDITOR
R.R & Co.
Cost Accountants, Ludhiana

REGISTERED / CORPORATE OFFICE
Village Kanech, Near Sahnewal,
G. T. Road, Ludhiana - 141120

ADMINISTRATIVE OFFICE
178, Col. Gurdial Singh Road,
Civil Lines, Ludhiana -141001

UNITS:
Village Kanech, Near Sahnewal,
G. T. Road, Ludhiana - 141120

Village Barmalipur, Near Doraha
G. T. Road, Ludhiana -141416

Village Jeeda, Kotkapura Road,
Distt. Bathinda - 151201

REGISTRAR & TRANSFER AGENT
Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor, 99 Madangir,
Near Dada Harsukhdas Mandir,
New Delhi - 110062

You will forever be a Source of Inspiration

LATE SH. RAJ KUMAR AVASTHI JI
Founder / Chairman of Sportking India Limited
18th June 1946- 23 July 2022

In the month of July 2022, Sh. Raj Kumar Avasthi, founding/chairman of the Company fondly called as "Bau Ji" passed away. He was instrumental in establishing Sportking Group of Industries as India's leading vertically integrated textile conglomerate, which was started by him with his father Sh. Jagdish Chandra Avasthi in 1977. In more than four decades of its existence, Sportking Group has relentlessly continued its journey on the path of fast paced growth under the benevolent vision of late. Sh. Raj Kumar Avasthi.

Sh. Raj Kumar Avasthi was on the Board of the Company since inception and the Company has immensely benefitted from his vision and leadership during his tenure. His passing away will be a great loss to the Company and all the Directors and Employees of the company/group companies convey deep sympathy, sorrow and condolences to his family. We are and will always be extremely grateful for his contribution to the company and society and hold the deepest gratitude for the same.

He has done a lot of important work in Punjab for the growth of textile/ readymade and yarn sector. He always focused on making the youth especially rural women folk self-reliant. For this, he had encouraged the youth in the retail sector and provided training to the youth by giving them better pay and stipend. Along with this, he was also involved in the state and national level textile committees. He also built a Sportking Fashion Institute to connect Ludhiana with lifestyle and fashion.

We endeavour to fulfil the legacy that he has left behind which is eternal in the roots of the company and its employees. His ever-graceful presence will always missed.

SPORTKING INDIA LIMITED

CONTENTS

DETAIL OF 37TH ANNUAL GENERAL MEETING

Date and Time of AGM:
12th September 2026 at 10.30 AM

Details of Remote E-Voting
Record date / cut-off date: 05th September 2026

Start date and time:
Wednesday, 09th September 2026 at 09.00 AM

End date and time:
Friday, 11th September 2026 at 05.00 PM

Sportking

JOURNEY SO FAR

1993

Installed 6K+ Spindles for manufacturing of Acrylic Yarn at Ludhiana in 1993

1995

Greenfield expansion added 12K+ spindles at Ludhiana (Unit II); total capacity increased by 65K+ spindles.

2000

Setting up of a Dye House for dyeing/ processing of textile yarn fibers

2010-14

Further Greenfield expansion added 57K+ spindles at Bathinda, increasing capacity to 1,38,720 by Nov 2013.

2018-19

State-of-the-art expansion at the Bathinda unit added 68K+ spindles, raising total spinning capacity to over 274K

2022-25

Operationalized 103K+ spindles for Polyester Cotton & cotton yarn.
Debottlenecking in FY25 improved efficiency

2026-27

Odisha Greenfield expansion to add 1.5 lakh spindles, taking total capacity to ~5.3 lakh."

OVERVIEW OF BUSINESS

Established in **1989,** Sportking India has built over **four decades** of expertise in Yarn Manufacturing.

Owns three state-of-the-art manufacturing facilities with advanced infrastructure and technology, driving operational excellence, cost efficiency, and sustained growth.

Diversified product range catering to a wide spectrum of customer requirements across different yarn types, blends, and applications.

Presence across **30+** countries, reflecting a strong global footprint and the company's ability to cater to diverse international markets.

Committed to **delivering high-quality** end products in compliance with internationally recognized quality standards.

Recognised as a **Four Star Export House**, highlighting the company's consistent export excellence and significant contribution to international trade.

PRODUCT RANGE

100% Cotton Yarns

100% cotton combed compact yarns in normal and sublime quality for knitting and weaving
100% cotton combed compact slub
100% cotton combed Eli twist

Polyester/Cotton Blended Yarns

Polyester/cotton combed yarns
Polyester/ cotton Melange yarns

Fancy Yarns

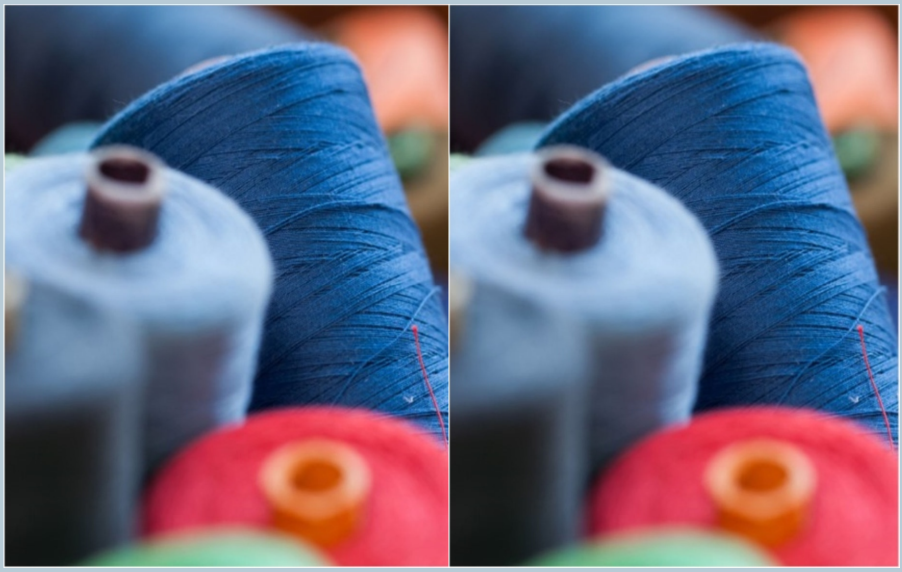
Jaspe yarns, Jaspe slub yarns, injection slub yarns and snow yarns.

Dyed Yarns

100 % cotton and PC blended dyed yarns

Acrylic & Acrylic/Polyester Blended Yarns

100% Acrylic high bulk yarns
100% Acrylic Non bulk yarns
Acrylic/ polyester blended high bulk yarns



Sportking

MANUFACTURING FACILITIES & CAPACITIES - Leveraging Technology

- Technologically advanced machineries to support our manufacturing infrastructure
- Robust control practices in place to ensure consistent quality of our products
- Use of modern testing instruments such as:

HVI | **AFIS** | **Uster Tensest**

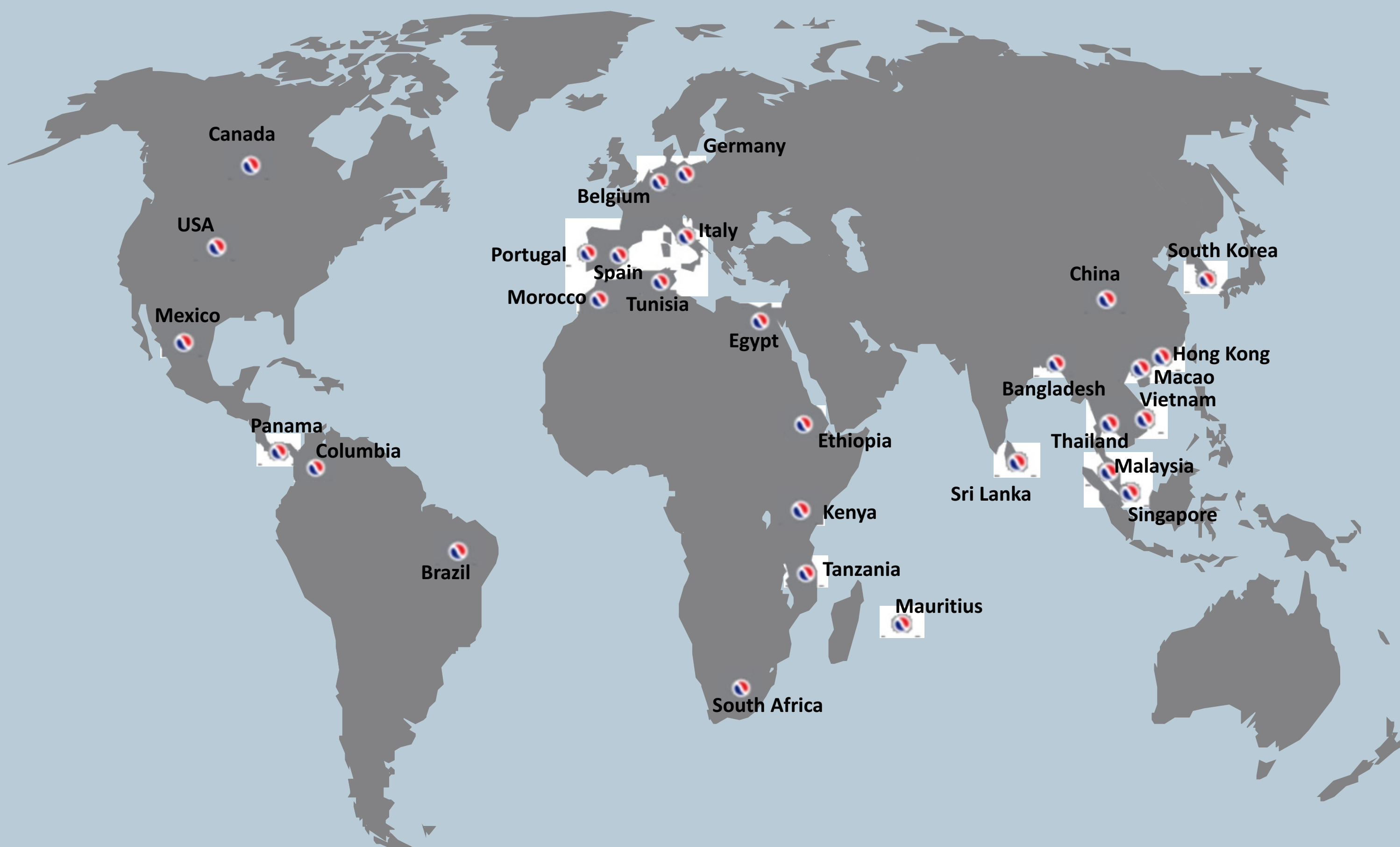
Uster Classimat | **Uster Hairiness tester**

The brand names mentioned are the property of their respective owners and are used here for identification purpose only

Capacity utilisation of all units more than 95%

UNITS	MANUFACTURING	INSTALLED CAPACITY
Unit I -**Spinning Unit**	Acrylic/Blended Acrylic Polyester Yarn/ Blended Polyester Cotton yarn	**66,480 Spindles**
Unit II -**Dye House**	Support to Unit No. I & III for their synthetic fibre/ yarn dyeing processing	**15-20 MTPD**
Unit III -**Spinning Unit**	Compact/contamination free cotton / Polyester cotton blended yarn	**3,12,672 Spindles**

PRESENCE ACROSS THE GLOBE - Leading Textile Exporter



Global footprint spanning 39 countries. As a recognition of our export contributions, MCI has upgrated us to a 'Four Star Exporty House' in FY24.

We are representing India on a world stage with average annual exports worth more than US $ 125-175 million.

MARQUEE CUSTOMERS - Reliable partner for Global Brands

The brand names mentioned are the property of their respective owners and are used here for identification purpose only.

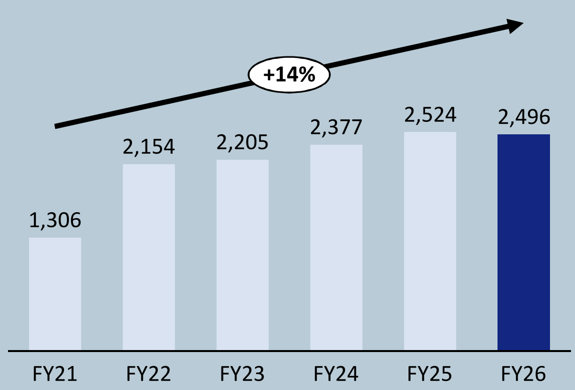
CERTIFICATES & COMPLIANCE - Testament to Quality

- Cotton Made In Africa (CMIA)
- ISO 9001 2015
- Oeko-Tex Standard 100
- Global Organic Textile Standard 6.0
- Recycled Claim Standard 2.0
- Organic Content Standard 3.0
- Fair trade
- Global Recycle Standard 4.0
- Higg Index

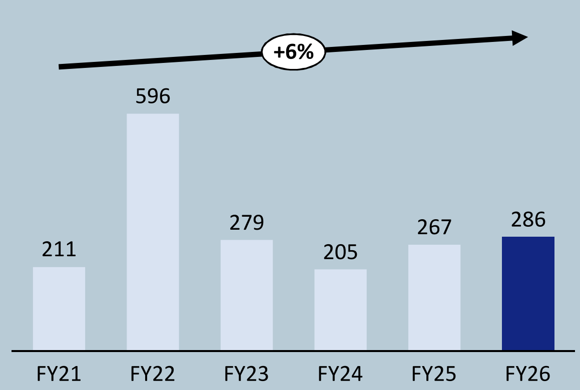
The logos mentioned are the property of their respective owners and are used here for identification purpose only

HISTORICAL FINANCIAL CHARTS

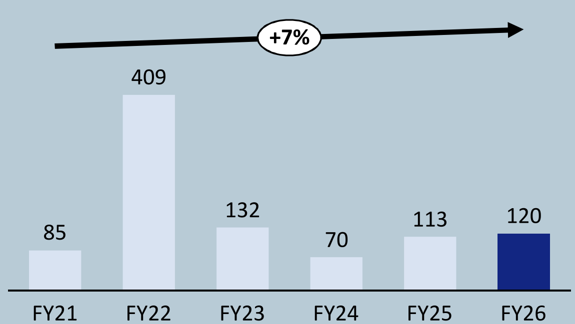
Revenue from Operations (₹ in Crs)



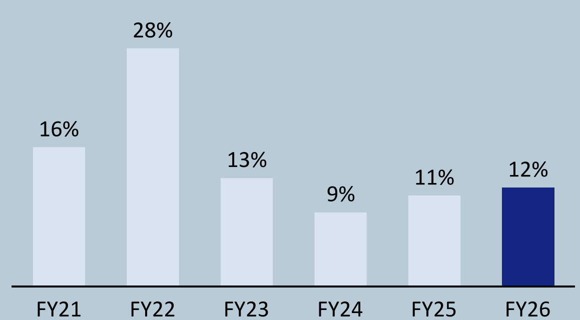
EBIDTA (₹ in Crs)



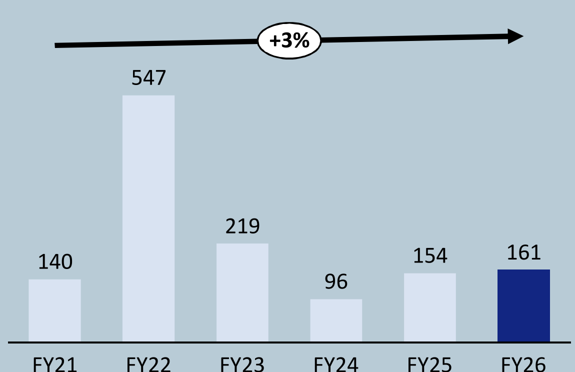
PAT (₹ in Crs)



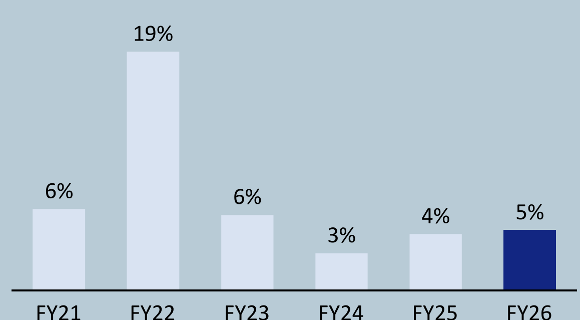
EBITDA %



PBT (₹ in Crs)



Profit After Tax %



HISTORICAL PROFIT & LOSS STATEMENT

Profit & Loss statement (₹ in Crs)	Mar'26	Mar'25	Mar'24	Mar'23	Mar'22	Mar'21
Revenue from Operation	**2,496**	**2524**	**2377**	**2,205**	**2,154**	**1,306**
Raw Material Cost	1,706	1755	1703	1,558	1,181	785
Purchase of Finished goods	2	1	1	1	0	0
(Increase) / Decrease In Stocks	-6	0	1	-15	-14	10
Power Cost	164	155	155	119	120	112
Gross Margin	**629**	**613**	**517**	**542**	**867**	**399**
Gross Margin %	**25%**	**24%**	**22%**	**25%**	**40%**	**31%**
Employee Cost	142	143	139	116	105	87
Other Expenses	201	203	173	147	166	103
EBITDA	**286**	**267**	**205**	**279**	**596**	**209**
EBITDA %	**11%**	**11%**	**9%**	**13%**	**28%**	**16%**
Depreciation and Amortisation Expense	94	90	86	48	44	52
Finance Costs	45	50	59	23	29	36
Other Income	15	27	36	12	24	19
PBT	**161**	**154**	**96**	**219**	**547**	**140**
PBT Margin %	**6%**	**6%**	**4%**	**10%**	**25%**	**11%**
Exceptional Items	0	0	0	30	-	22
Tax	41	41	26	58	138	33
PAT	**120**	**113**	**70**	**132**	**409**	**85**
PAT Margin %	**5%**	**4%**	**3%**	**6%**	**19%**	**7%**
Earnings per share (EPS) (Rs.)	**9.4**	**8.9**	**5.5**	**9.9**	**30.8**	**6.3**

Notes

NOTICE

NOTICE is hereby given that the **37th Annual General Meeting** of the members of Sportking India Limited will be held on **Saturday, the 12th day of September, 2026** at **10.30 AM** at Registered Office of the Company situated at **Village Kanech, Near Sahnewal, GT Road, Ludhiana- 141120 (Punjab)** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026 along with Annexures and the Reports of the Board of Directors and Auditors thereon as laid before this Annual General Meeting be and are hereby received, considered, approved and adopted."

2. To declare dividend on Equity Shares of the Company for the Financial Year ended 31st March, 2026 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT a Dividend at the rate of Rs. 1.00/- (Rupees One only) per share on Equity Shares of face Value of Rs. 1.00/- each as recommended by the Board of Directors be and is hereby declared for the financial year ended 31st March, 2026 and the same be paid out of the profits of the Company."

3. To appoint a Director in place of Mrs. Anjali Avasthi (DIN: 06911970), Non-executive Non Independent Director who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT Mrs. Anjali Avasthi (DIN: 06911970), Non- executive Director of the Company who retires by rotation at this Meeting, being eligible for re-appointment as Director of the Company be and is hereby re-appointed as Director of the Company liable to retire by rotation."

SPECIAL BUSINESS

4. **Ratification of Remuneration payable to Cost Auditors for the Financial Year 2026-27:**

   To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of Remuneration of Rs. 1,72,000/- (Rupees One lakh and Seventy-Two thousand only) (plus applicable taxes and reimbursement of out-of-pocket expenses) to M/s R.R & Co., Cost Accountants (Firm Registration No. 000323), appointed by the Board of Directors on the recommendation of the Audit Committee to conduct the Audit of the cost records of the Company for the Financial Year ended March 31, 2027, be and is hereby approved and ratified."

   RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution.

5. **To approve change in designation of Mrs. Anjali Avasthi (DIN: 06911970), from Non- Executive Director to Whole time Director:**

   To consider, and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including Regulation 17 and other applicable provisions thereof, the Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be required, consent of the Members of the Company be and is hereby accorded for the change in designation of Mrs. Anjali Avasthi (DIN: 06911970), from Non- Executive Director to Whole time Director designated as Executive Director of the Company for a period of 3 years with effect from 01st August 2026, liable to retire by rotation, on the terms and conditions of appointment including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors and Nomination and Remuneration Committee be and is hereby authorised to alter, vary, modify or revise the terms and conditions of appointment, including remuneration, benefits and perquisites, within the limits prescribed under the Companies Act, 2013, Schedule V thereto and applicable SEBI Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary be and are hereby severally authorised to file necessary forms with the Registrar of Companies, make necessary disclosures/intimations to the Stock Exchanges under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and do all such acts, deeds, matters and things as may be necessary, proper and expedient to give effect to this resolution.

By Order of the Board
For Sportking India Limited

(Munish Avasthi)
Chairman & Managing Director
DIN: 00442425

Place: Ludhiana
Date: 01.08.2026
Regd. Office:
Village Kanech, Near Sahnewal, GT Road,
Ludhiana-141120 (Punjab)

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') with respect to Special Businesses as set out above is annexed hereto. Further, disclosures as required under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') with respect to details of Directors who are proposed to be appointed / re-appointed is set out in the Explanatory Statement.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   The instrument(s) appointing the proxy, if any, shall be deposited at the Registered Office of the Company at Village Kanech, Near Sahnewal, G.T. Road, Ludhiana-141120 not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have right to speak at the meeting.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. The Register of Members and Share Transfer Register will remain closed from 06th September 2026 to 12th September 2026 (both day inclusive) for the purpose of Annual General Meeting of the Company and payment of Dividend.

4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

5. In the case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting, if not already voted through remote e-voting.

6. The copy of relevant documents can be inspected at the registered office of the company on any working day between 11:00 A.M. To 01:00 P.M.

7. In terms of Section 101 and 136 of the Companies Act, 2013 read with the rules made thereunder, the Notice of AGM, Annual

Report along with Attendance Slip are being sent in electronic mode to members whose e-mail address is registered with the Company or the Depository Participant(s), unless the members have requested for hard copy of the report.

8. Members seeking any information with regard to the accounts of the company are requested to write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information ready. The queries may be addressed to the Company Secretary email Id i.e. cs@sportking.co.in.

9. Members/Proxies should bring the attendance slip sent herewith, duly filled in and signed and handover the same at the entrance of the meeting place.

10. SEBI, vide its circular no. SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed company to issue the securities in dematerialized form only while processing investor service requests viz. issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. As per SEBI circular no. HO/38/13/(3)2026-MIRSDPOD/I/3763/2026 dated 30th January, 2026, the requirement of issuance of a Letter of Confirmation ("LOC") by the Company/ RTA has been dispensed with for the aforesaid investor service requests with effect from 2nd April, 2026. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of latest Client Master List with duly filled demat conversion request form to the RTA. In view of the same and to eliminate the risks associated with physical shares and to avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

11. Members are requested to update their email address, choice of nomination and KYC records by submitting duly filled and signed relevant form along with the relevant proofs listed in the forms, to M/s. Beetal Financial & Computer Services (P) Ltd, Registrar and Share Transfer Agent, Unit: Sportking India Limited, **Beetal House, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi-110062.** Alternatively, members can also send digitally signed documents from their registered email address at **beetalrta@gmail.com**

12. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form. To avail various benefits of holding shares in dematerialized form, members are advised to dematerialize the shares held by them in physical form, for ease in portfolio management.

13. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members may nominate a person in respect of all the shares held by them severally or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a member desires to opt out, cancel or vary an earlier nomination, he/ she may submit the same in Form ISR-3 or SH-14, as the case may be. The said forms can be downloaded from the website of the Company or of the RTA. Members holding shares in demat form may approach their respective Depository Participant(s) to complete/ update the nomination formalities.

14. Non-Resident Indian members are requested to inform the Company's RTA immediately of:
    - Change in their residential status on return to India for permanent settlement.
    - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

15. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details/ NECS/ mandates, nominations, power of attorney, change of postal address/ name, Permanent Account Number ('PAN') details, email address, telephone/mobile numbers, etc. to their Depository Participant, only and not to the Company/ the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the members. In case of members holding shares in physical form, such information is required to be provided to the Company's RTA in physical mode.

16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

17. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/ RTA of any change in KYC details or demise of any member as soon as possible. Members are also advised not to leave their demat account(s)

dormant for long. Periodic statement of holding may be obtained from the concerned Depository Participant, and holdings may be verified from time to time.

18. Please note that SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, notified on 18th November 2025, along with SEBI Master Circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February 2026, as amended, mandates that any payment of dividend shall be made only through electronic mode to the members. Further, dividend warrants, cheques, demand drafts or any other instrument are no longer required to be issued.

19. The dividend as recommended by the Board, if declared at the meeting will be paid to the shareholders within the stipulated time whose names appear on the Register of Members in respect of shares held in physical form as well as in respect of Shares held in electronic form as per the details received from the depositories and Whose names appear as Beneficial Owners in the list of Beneficial Owners on 05th September 2026 to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.

20. Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs.

21. Pursuant to the relevant provisions of the Income Tax Act, 2025 (“the IT Act”), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source (“TDS”) from dividend paid to the members at the rates applicable as per the IT Act read with tax treaty as may be applicable. In order to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN details linked with Aadhaar, Category with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending an e-mail to the Company’s e-mail address at cs@sportking.co.in or RTA’s e-mail address at **beetalrta@gmail.com** from the e-mail address registered with Company/ RTA.

22. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, as may be applicable, subject to providing necessary documents, i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, and any other document which may be required to avail the tax treaty benefits by sending an e-mail to the Company’s e-mail address at at cs@sportking.co.in or RTA’s e-mail address at **beetalrta@gmail.com** from the e-mail address registered with Company/ RTA.

23. SEBI has made it mandatory for all the Companies to use the bank account details furnished by the Depository and maintained by the RTA for Payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank account of the Member(s) through Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ National Electronic Fund Transfer (NEFT)/ Real Time Gross Settlement (RTGS)/ Direct Credit etc. The payment of dividend as recommended by the Board of Directors, if approved at the AGM, will be paid as per the mandate registered with the Company or with their respective Depository Participants.

24. In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Income Tax PAN (including that of joint holders, if any), and also Category as per the IT Act. Additionally, Members are also advised to update their bank account details, any change in address and/ or name, submit National Electronic Clearing Service (NECS) or Electronic Clearing Service (ECS) mandates, nominations, e-mail address, contact numbers, etc., if not so done, by writing to the Company’s Registrar & Share Transfer Agents, M/s. Beetal Financial & Computer Services (P) Ltd, are situated at **Beetal House, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi-110062 (Phone No. 011-29961281-283, & Email:beetalrta@gmail.com** for providing efficient and better services. Members holding securities in dematerialized form are requested to intimate such changes to their respective depository participants.

25. The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies. Your company has joined the MCA in its environmental friendly initiative. The company would send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register / update their latest e-mail addresses with the Depository Participants (D.P.) with whom they are having Demat Account or send the same to the Company via e-mail at: cs@sportking.co.in . We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.

26. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) rules, 2014 as amended from time to time and Regulation 44 of Listing Regulations, Members have been provided with the facility of "remote e- voting" (e-voting from a venue other than place of Annual General Meeting) on resolutions proposed to be considered at the ensuing Annual General Meeting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

27. Members may note that the Notice and the Annual Report 2025-26 will also be available on the Company's website www.sportking.co.in , websites of the Stock Exchanges i.e., BSE Limited, and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

28. A letter containing the weblink and QR code for accessing the Notice and Annual Report for the FY 2025-26 will be sent to those shareholders who have not registered their email address with the Company/Depositories/RTA.

29. The Company has appointed Mr. Sumit Ghai (M. No. FCS 10253 & C.P. No. 12814) Partner of Lal Ghai & Associates, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

30. The Scrutinizer after scrutinizing the votes cast at the Annual General Meeting and through remote e-voting, make a consolidated Scrutinizer's Report and submit the same within the stipulated time to the Chairman or a person authorized by him in writing, who shall countersign the same.

31. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company www.sportking.co.in and on the website of CDSL. The Results shall simultaneously be communicated to BSE Limited and the National Stock Exchange of India Limited

    The instructions for shareholders voting electronically are as under:

    a) The voting period begins on Wednesday , 09th September 2026 at 09.00 A.M. (IST) and ends on Friday, 11th September 2026 at 05:00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Saturday, 05th September 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

    c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

       Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

    d) In order to increase the efficiency of the voting process and pursuant to SEBI circular no. SEBI/ HO/CFD/Pod2/CIR/P/0155 dated 11th November, 2024 all individual Members holding shares in demat mode can now cast their vote by way of a single login credential, through either their demat accounts / websites of Depositories / DPs thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Members are advised to update their mobile number and e-mail ID with their Depository Participants to access this facility.

    e) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) 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.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. 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. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. 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. 2) 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 3) 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. 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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 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.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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. 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.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders 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 call at toll free no.: 1800 1020 990 and 1800 22 44 30

f) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on “Shareholders” module.

3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders 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 as mentioned in instruction as stated above (3).

g) After entering these details appropriately, click on “SUBMIT” tab.

h) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

i) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

j) Click on the EVSN < 260813011> for Sportking India Limited on which you choose to vote.

k) 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.

l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

m) 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.

n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

o) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

p) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

q) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporate" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- 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.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.
- Alternatively Non Individual shareholders 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, to the Scrutinizer and to the Company at the email address i.e**. cs@sportking.co.in**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

r) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800225533. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (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 call on toll free no. 1800 22 55 33.

s) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper"/ "Polling Paper" for all those member who are present at the AGM but have not cast their votes by availing the remote e- voting facility.

By Order of the Board
For Sportking India Limited

(Munish Avasthi)
DIN: 00442425
Chairman & Managing Director

Place: Ludhiana
Date: 01.08.2026

Regd. Office:
Village Kanech, Near Sahnewal, GT Road,
Ludhiana-141120 (Punjab)

ANNEXURE 1 TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have audit of its cost records for specified products conducted by a practicing cost accountant.

Based on the recommendation of the Audit Committee, the Board, at its meeting held on 16th May 2026 had approved the re-appointment of M/s R.R & Co., Cost Accountants (Firm Registration No. 000323), represented by its Partner, Mr. Ratti Ram Mainh as the Cost Auditor of the Company to conduct the audit of cost records maintained by the Company, pertaining to the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, for FY 2026-27 at a remuneration not exceeding Rs. 1,72,000 (Rupees One Lakh Seventy Two Thousand only) plus applicable taxes, out-of- pocket and other expenses incurred during the course of Audit.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the members of the Company. Accordingly, the consent of the members is sought for the approval of the remuneration payable to the Cost Auditors for the financial year 2026-27.

A brief profile of M/s R.R & Co, Cost Accountants, (Firm Registration No. 000323), is mentioned herein below for information of the members:

M/s R.R & Co, Cost Accountants is a firm of Practicing Cost accountants offering a wide spectrum of Services to its esteemed clientele. The firm has handled various assignments in Costing such as Cost audit, Certifications, Cost consultancy, Costing based turnaround strategies, etc. across diverse industry and client base.

The Board recommends the approval of the remuneration payable to M/s R.R & Co., Cost Accountants (Firm Registration No. 000323), for conducting the cost audit and the passing of the Ordinary Resolution set out at Item No. 4 of the Notice.

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 said resolution.

Item No. 5

The Board of Directors of the Company, at its meeting held on 01st August 2026, based on the recommendation of the Nomination and Remuneration Committee (“NRC”), approved the change in designation and appointment of Mrs. Anjali Avasthi (DIN: 06911970), who is presently designated as a Non-Executive Non-Independent Director of the Company, as Whole-time Director designated as Executive Director of the Company, subject to the approval of the Members.

Mrs. Anjali Avasthi has been associated with the Company as a Non-Executive Director since September 2022. She has over 15 years of experience in managing the textile and garment business and possesses extensive knowledge and expertise in areas including business operations, market development, customer understanding, human resource management, strategic planning and overall business administration.

Her experience in the textile value chain, particularly in the garment business, has enabled her to develop a strong understanding of downstream textile markets, customer requirements, quality parameters and changing industry trends. This experience provides valuable insights which will support the Company in strengthening and expanding its yarn business by improving market understanding, identifying growth opportunities, developing value-added products and enhancing customer relationships.

The Company is presently focused on expanding its yarn business and exploring opportunities for sustainable growth across various segments. Considering the Company’s future growth plans and increasing business opportunities in the textile sector, the Board believes that Mrs. Anjali Avasthi’s industry knowledge, leadership capabilities, strategic approach and experience in managing textile-related businesses will contribute significantly towards strengthening the Company’s operations and achieving its long-term objectives.

Her innovative approach, understanding of market dynamics and ability to manage business functions effectively are expected to assist the Company in improving operational efficiency, exploring new markets, strengthening existing businesses and creating sustainable value for stakeholders.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee and considering her qualifications, experience, expertise and proposed responsibilities, the Board of Directors at its meeting held on 01st August 2026 approved the change in designation and appointment of Mrs. Anjali Avasthi as Whole-time Director designated as Executive Director of the Company for a period of three (3) years with effect from 01st August 2026, liable to retire by rotation, subject to approval of the Members.

The terms and conditions of appointment and remuneration payable to Mrs. Anjali Avasthi as Whole-time Director designated as Executive Director are as under:

1. **Designation:** Whole-time Director designated as Executive Director.
2. **Tenure:** The appointment shall be for a period of three (3) years commencing from 01st August 2026.
3. **Remuneration:** Rs. 5,00,000/- (Rupees Five Lakh only) per month.
4. **Perquisites and Benefits**

- Housing: Free furnished residential accommodation along with amenities. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income-tax Rules, 2026.
- Medical Benefits: Reimbursement of medical expenses including medical insurance premium, medical treatment and hospitalisation expenses for self and family.
- Leave Travel Concession: Reimbursement of Leave Travel expenses incurred for self and family once in a year in accordance with Company policy.
- Club Fees: Fees of clubs subject to a maximum of two clubs.
- Personal Accident Insurance: Premium for personal accident insurance.
- Contributions to provident fund, superannuation or annuity fund and any other retirement benefits or any re-charge cost(s) thereof.
- Encashment of leave at the end of her tenure as per the Company's policy.
- Car Facility: Free use of Company's car along with driver for official as well as personal purposes.
- Telephone/Communication Facility: Free use of telephone/mobile phone and communication facilities for official as well as personal purposes.
- Business Expenses: Reimbursement of actual expenses incurred towards vehicle, travelling, entertainment and other expenses properly incurred in connection with the legitimate business of the Company.
- Such other perquisites and allowances in accordance with the Company's policy or as may be agreed to by the Board

The remuneration payable shall be subject to the limits prescribed under Sections 196, 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013. In the event of absence or inadequacy of profits in any financial year during the tenure of appointment, Mrs. Anjali Avasthi shall be entitled to receive remuneration as minimum remuneration in accordance with the applicable provisions of Schedule V to the Companies Act, 2013.

Pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, approval of the Members by way of Special Resolution is being sought for the appointment and remuneration payable to Mrs. Anjali Avasthi as Whole-time Director designated as Executive Director.

Further, pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the fees or compensation payable to an Executive Director who is a promoter or member of the promoter group shall be subject to approval of shareholders by Special Resolution where the limits prescribed therein are exceeded. Since Mrs. Anjali Avasthi is a member of the promoter group and the remuneration payable to her may exceed the limits prescribed under Regulation 17 of the SEBI Listing Regulations, approval of the Members by way of Special Resolution is being obtained.

Mrs. Anjali Avasthi satisfies the conditions specified under Part-I of Schedule V to the Companies Act, 2013. She is not disqualified from being appointed as Director under Section 164 of the Act and has not been debarred from holding the office of Director by virtue of any order issued by SEBI or any other statutory authority.

This Explanatory Statement together with the resolution may also be treated as disclosure pursuant to Section 190 of the Companies Act, 2013 relating to the terms and conditions of appointment of Whole-time Director.

Mrs. Anjali Avasthi and Mr. Munish Avasthi, being related to each other, may be deemed to be concerned or interested in the resolution. Except Mrs. Anjali Avasthi, Mr. Munish Avasthi and their relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of this Notice for approval of the Members.

The disclosures required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India relating to Mrs. Anjali Avasthi are provided separately as Annexure 2 to this AGM Notice.

The following additional information as required under Schedule V of the Companies Act, 2013 in respect of Item No 5 is given below:

I. General Information

Sr No	Particular	Information
1.	Nature of industry	Textiles
2.	Date or expected date of commencement of commercial Production	NA
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4.	Financial performance based on given indicators	During the year under review, the Company reported a production volume of 83801 M.T. of Cotton/Synthetic Yarn, marginally higher than 81049 M.T. recorded in the previous financial year. The overall capacity utilization remained robust at approximately 96%, underscoring the Company's strong operational efficiency and placing it among the leaders in the industry. For the full year FY26, Total Income stood at Rs. 2,51,045.77 Lakhs as against previous financial year of Rs. 2,55,101.65 Lakhs , remaining largely stable compared to the previous financial year. Despite a challenging business environment and market volatility, the Company successfully sustained its revenue levels while focusing on operational efficiencies and value enhancement initiatives. Exports remained a key pillar of the Company's growth strategy during the year. During FY 2025-26, exports contributed 52% of total revenue, demonstrating the Company's strong international market penetration and diversified customer base. The substantial export contribution supports revenue stability while also enhancing the Company's long-term growth prospects across global markets.
5.	Foreign Investments or collaborators, if any.	NA

II. INFORMATION ABOUT THE APPOINTEE

a. Mrs. Anjali Avasthi, Whole time Director

Sr No	Particular	Information
1.	Background Details	Mrs. Anjali Avasthi has been associated with the Company as a Non-Executive Director since September 2022. She has over 15 years of experience in managing the textile and garment business and possesses extensive knowledge and expertise in areas including business operations, market development, customer understanding, human resource management, strategic planning and overall business administration.
2.	Past remuneration	NA.
3.	Recognition or awards	NA
4.	Job profile and her suitability	Her experience in the textile value chain, particularly in the garment business, has enabled her to develop a strong understanding of downstream textile markets, customer requirements, quality parameters and changing industry trends. This experience provides valuable insights which will support the Company in strengthening and expanding its yarn business by improving market understanding, identifying growth opportunities, developing value-added products and enhancing customer relationships. The Company is presently focused on expanding its yarn business and exploring opportunities for sustainable growth across various segments. Considering the Company's future growth plans and increasing business opportunities in the textile sector, the Board believes that Mrs. Anjali Avasthi's industry knowledge, leadership capabilities, strategic approach and experience in managing textile-related businesses will contribute significantly towards strengthening the Company's operations and achieving its long-term objectives
5.	Remuneration proposed	Rs. 5,00,000/- (Rupees Five Lakh) Per Month.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is comparable with the Companies of the same size and profitability
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Except for receiving remuneration from the company as Whole time Director, Mrs. Anjali Avasthi had no other pecuniary relationship with the company. Mrs. Anjali Avasthi is the Part of Promoter Group and Mr. Munish Avasthi (Chairman and Managing Director) is her relative.

III. OTHER INFORMATION:

Sr No	Particular	Information
1.	Reason of loss or inadequate profits	NA
2.	Steps taken or proposed to be taken for improvement	The Company has been continuously focusing on strengthening its operational capabilities and enhancing its competitiveness in the textile sector. The Company has undertaken various initiatives aimed at improving operational efficiency through modernization and upgradation of machinery, reduction of process wastage, optimisation of manpower utilisation and enhancement of overall productivity. The Company has also focused on cost optimisation by improving procurement efficiencies, sourcing raw materials at competitive rates, reducing energy and water consumption, and implementing measures for better utilisation of resources and utilities. Continuous emphasis has been placed on improving product quality, developing value-added products, adopting innovative processes and obtaining relevant certifications to enhance market acceptance and strengthen the Company's position in domestic and international markets.
3.	Expected increase in the productivity and profits in measurable terms	The Company expects that there may be a reasonable increase/ improvement in productivity and profitability in the forthcoming years.

By Order of the Board
For Sportking India Limited

(Munish Avasthi)
Chairman & Managing Director
DIN: 00442425

Place: Ludhiana
Date: 01.08.2026

Regd. Office:
Village Kanech, Near Sahnewal, GT Road,
Ludhiana-141120 (Punjab)

ANNEXURE 2 TO THE NOTICE OF ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

Name of the Director	MRS. ANJALI AVASTHI
DIN	**06911970**
Designation and Category of Director	Whole Time Director, Executive
Age	51 Years
Date of First Appointment	03.09.2022
Directorships held in other companies including equity listed companies and (excluding Foreign Companies)	• GO GREEN PROJECTS PRIVATE LIMITED • ANGEL FINVEST PVT LTD • SOBHAGIA SALES PRIVATE LIMITED • SOBHAGIA LOGISTICS PRIVATE LIMITED
Memberships/ Chairmanships of committees of other companies (excluding foreign companies)	None
Listed Entities from which he/ she has resigned as Director in past 3 years	None

DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present the 37th Annual Report of Sportking India Limited along with the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2026.

1. CORPORATE OVERVIEW

The Company was incorporated in 1989 and emerged as one of India's leading textile company & owns 3 state-of-the-art manufacturing facilities in India equipped with latest machinery, producing yarns that are a benchmark in quality. The company produces well diversified range of grey and dyed textile yarns to cater to the demands of weaving and knitting industry in domestic as well as international markets. With presence in more than 30 countries, Sportking India Ltd. is representing India on a world stage with a commitment to deliver superior quality products among evolving trends in customer preferences.

2. FINANCIAL RESULTS

The Company's Audited Financial Statements as of March 31, 2026, have been meticulously prepared in accordance with the applicable Ind AS, as well as Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), and the pertinent provisions outlined in the Companies Act, 2013 (the "Act"). Furthermore, the financial performance of your Company for Financial Year(s) 2025-26 and 2024-25 are as under:

(**Rupees in Lakhs)**

Particulars	F.Y. 2025-26	F.Y. 2024-25
Revenue from Operations (Net)	249585.66	252422.94
Other Income	1460.11	2678.71
Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) and Exceptional Items	30057.37	29359.36
Interest and Financial Expenses	4512.84	5026.32
Profit before Depreciation, Amortization, Tax (PBDT) and Exceptional Items	25544.53	24333.04
Depreciation and Amortization	9449.63	8963.52
Profit before Tax (PBT) and Exceptional Items	16094.90	15369.52
Exceptional Items	0.00	0.00
Profit before Tax (PBT)	16094.90	15369.52
Provision for Tax -Current Tax -Prior Period Tax -Deferred Tax	 4941.00 (46.48) (772.00)	 4227.00 (1.08) (171.00)
Profit after Tax (PAT)	11972.38	11314.60
Other Comprehensive Income (Net of Tax of Rs. 78.00 Lakhs in Current Year and Rs. 28.00 Lakhs in previous year)	231.89	83.79
Total Comprehensive Income for the year	12204.27	11398.39
Earnings Per Equity Share (In Rs.) -Basic -Diluted	 9.39 9.39	 8.88 8.88

3. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

BUSINESS REVIEW

ECONOMIC OUTLOOK

The global economy encountered significant headwinds during FY 2025–26, driven by heightened geopolitical tensions, evolving trade policies, and persistent inflationary pressures. The escalation of the conflict in West Asia, following military actions involving the United States, Israel, and Iran in early 2026, disrupted global trade routes and energy supplies, particularly through the Strait of Hormuz, a critical corridor for global oil shipments. These developments resulted in a sharp increase in crude oil prices, freight costs, and supply chain disruptions, adversely affecting businesses and economies worldwide.

The conflict also disrupted global fertilizer trade due to the Gulf region's significant share in fertilizer exports and the surge in natural gas prices, a key input for nitrogen-based fertilizers. The resulting increase in input costs added to inflationary pressures across several sectors, particularly agriculture and manufacturing.

According to global economic assessments, world GDP growth is projected to moderate to 2.5% in 2026, compared with 2.9% in 2025, marking the slowest pace of expansion since the COVID-19 pandemic. Growth is expected to weaken across both advanced economies and emerging market and developing economies (EMDEs), particularly in countries dependent on energy imports or directly affected by geopolitical disruptions. Per capita income growth in EMDEs is also expected to slow, delaying income convergence with advanced economies.

The surge in commodity and energy prices contributed to renewed inflationary pressures globally. While several governments introduced fuel subsidies and price stabilization measures to cushion the impact, headline and core inflation remained elevated in many economies, leading central banks to maintain a cautious monetary policy stance. Expectations of interest rate cuts were deferred as policymakers prioritized price stability.

Global financial markets experienced heightened volatility during the year. Rising inflation expectations pushed bond yields higher, equity markets witnessed periodic corrections, and capital flows shifted toward safer assets. Financial conditions tightened across many emerging markets, leading to currency pressures and increased borrowing costs. However, markets stabilized gradually following the easing of hostilities and improving investor sentiment, supported in part by continued advancements and investments in artificial intelligence (AI).

Growth in advanced economies is projected to moderate to 1.5% in 2026, from 1.8% in 2025, reflecting the impact of higher energy prices and subdued global demand. The United States demonstrated relative resilience due to its position as a major energy producer, supported by fiscal measures and sustained investment in AI and technology-driven sectors. Continued adoption of AI and digital technologies is expected to enhance productivity and support medium-term global growth, benefiting both advanced and emerging economies.

Looking ahead, global growth is expected to strengthen gradually during 2027–28 as geopolitical tensions ease, energy markets stabilize, inflation moderates, and monetary easing resumes. Nevertheless, downside risks remain significant. A prolonged geopolitical conflict, renewed trade tensions, elevated public debt, financial market volatility, and increasing geopolitical fragmentation could weigh on global economic prospects. In this environment, agile policymaking, strengthened international cooperation, and continued structural reforms will be essential to support sustainable and inclusive global growth.

The India outlook during FY 2025–26 remained challenging, shaped by geopolitical conflicts, evolving trade policies, supply chain disruptions, and volatility in energy and commodity prices. The ongoing conflicts in West Asia and other geopolitical hotspots heightened uncertainty in global markets, leading to fluctuations in crude oil prices, increased freight costs, and disruptions in international trade. At the beginning of the year, the announcement of higher U.S. tariff measures further affected global business sentiment, prompting businesses to adopt a cautious approach amid concerns over rising trade costs and slower export demand. However, as the year progressed, the easing of tariff measures and progress in trade negotiations helped improve investor confidence, stabilize global supply chains, and support a gradual recovery in international trade.

Despite these external headwinds, the Indian economy demonstrated remarkable resilience, supported by strong domestic demand, sustained public investment, and continued policy reforms. The Government of India maintained its focus on infrastructure development, manufacturing competitiveness, digital transformation, logistics improvement, and ease of doing business through continued capital expenditure, Production Linked Incentive (PLI) schemes, the National Logistics Policy, PM Gati Shakti, and initiatives to strengthen domestic manufacturing and exports. Prudent fiscal management, targeted support for key sectors, and measures to enhance supply chain resilience further reinforced economic stability.

According to the provisional estimates released by the Ministry of Statistics and Programme Implementation (MoSPI), India's real Gross Domestic Product (GDP) expanded by 7.7% in FY 2025–26, compared with 7.1% in FY 2024–25. Growth was driven by robust manufacturing activity, strong performance of the services sector, improving private consumption, and sustained investment. The manufacturing sector continued to benefit from government initiatives promoting industrial growth, while the services sector recorded strong expansion, supported by growth in trade, hospitality, transportation, financial services, and digital businesses.

On the demand side, Private Final Consumption Expenditure (PFCE) strengthened significantly, reflecting improved urban and rural consumption, while Gross Fixed Capital Formation (GFCF) maintained healthy growth, supported by continued infrastructure creation and capacity expansion. Inflation remained relatively contained, the banking sector remained well-capitalized, and India's external sector continued to demonstrate resilience despite global uncertainties.

Looking ahead, the economic outlook remains positive, although growth is expected to moderate from the high base achieved in FY 2025–26. The Reserve Bank of India (RBI) has projected GDP growth of 6.6% for FY 2026–27. While geopolitical tensions, global trade uncertainties, commodity price volatility, and climate-related risks remain key challenges, India's strong domestic consumption, favorable demographics, continued structural reforms, and sustained government focus on infrastructure and manufacturing are expected to support long-term economic growth and reinforce India's position as one of the world's fastest-growing major economies.

Textile Outlook

The global textile market size was valued at USD 1,160 billion in 2025 and is projected to grow from USD 1,210 billion in 2026 to USD 1,610 billion by 2033, at a CAGR of 4.2% from 2026 to 2033. Asia Pacific dominated the global market, accounting for the largest revenue share of 49.9% in 2025.

The global textile and apparel industry operated in a challenging environment during FY 2025–26 amid geopolitical conflicts, evolving trade policies, and supply chain disruptions. The escalation of tensions in West Asia and changes in U.S. tariff policies increased logistics costs, energy prices, and business uncertainty. However, trade conditions improved gradually in the latter following easing geopolitical tensions, moderation in freight costs, and inventory normalization across key consumer markets. Global demand for textiles and apparel recovered moderately, supported by improving consumer spending in the United States and Europe and a gradual replenishment of retail inventories. Nevertheless, demand remained uneven across regions due to persistent inflation, high interest rates, and cautious discretionary spending.

The industry continued to witness structural shifts in global sourcing, with international brands increasingly adopting a "China+1" strategy to diversify supply chains. India, Vietnam, Bangladesh, Indonesia, and Turkey strengthened their position as preferred sourcing destinations owing to competitive manufacturing capabilities and supportive government policies. Sustainability remained a defining theme for the industry, with increasing investments in recycled fibres, circular manufacturing, renewable energy, digitalization, automation, and AI-enabled production systems. Global brands continued to strengthen ESG compliance and supply chain traceability in response to evolving regulatory requirements and consumer preferences.

The Indian textile industry remained resilient during FY 2025–26 despite a complex global environment marked by geopolitical tensions, trade uncertainties, and volatile input costs. The sector continued to contribute around 2% to GDP and 10–12% of India's merchandise exports, while providing large-scale employment across the value chain. During the initial part of the year, Indian textile exports were impacted by higher U.S. tariff-related uncertainties and reciprocal duties which led to order delays, pricing pressure, and cautious buying by global retailers. However, as the year progressed, gradual easing of trade tensions and normalization of tariff expectations supported a recovery in export sentiment and improved demand visibility. Guided by the 5F vision- Farm to Fibre, Fibre to Factory, Factory to Fashion and Fashion to Foreign, the industry has evolved into a comprehensive ecosystem connecting farmers, weavers, artisans, manufacturers and exporters.

India's textile and apparel exports (including handicrafts) registering a growth of around 2.1% over FY 2024–25. This performance reflects steady global demand for Indian textile products despite challenging global trade conditions and geopolitical uncertainties. Among key segments, Ready-Made Garments (RMG) remained the largest contributor, accounting for exports followed by cotton yarn, fabrics, made-ups and handloom products. Man-made textiles and value-added segments also showed moderate growth during the year.

Cotton remains a key agricultural commodity and an important raw material for India's textile value chain, supporting the livelihoods of millions of farmers and a large integrated textile industry. India has the largest area under cotton cultivation globally, estimated at around 11.2 million hectares, accounting for a significant share of global cotton acreage, reflecting its strong agricultural base and prominent position in global cotton production. During FY 2025–26, India's cotton production is estimated at around 320.50 lakh bales, highlighting stable output levels supported by consistent cultivation area. However, cotton productivity in India continues to remain moderate compared to global benchmarks, indicating a structural need for improvement through better seed varieties, improved irrigation infrastructure, and adoption of modern farming practices. The existing yield gap presents a long-term opportunity to enhance farm income and strengthen raw material availability for the textile sector.

Going forward, the outlook for the cotton sector remains stable, supported by steady acreage and expected normal weather conditions. However, production and prices will continue to be influenced by climatic variability, pest incidence, and global cotton price movements. Over the medium term, productivity enhancement and technology adoption are expected to be key drivers for strengthening the cotton value chain in India.

The sector continued to benefit from policy support aimed at enhancing export competitiveness and ensuring raw material availability. In order to support domestic manufacturers and ease input cost pressures, the Government of India temporarily exempted basic customs duty on raw cotton imports for the period June–October 2026, thereby improving availability of quality cotton for the textile value chain and stabilizing production costs. This measure was introduced in response to domestic supply-demand fluctuations and high raw material price volatility, and is expected to support yarn, fabric, and garment exporters by improving cost competitiveness.

Further strengthening export competitiveness, the Government extended the RoDTEP (Remission of Duties and Taxes on Exported Products) scheme up to September 30, 2026, ensuring continuity of export incentives and providing reimbursement of embedded duties and taxes across textile value chains.

The Government allocated approximately Rs. 5,252 crore to the Ministry of Textiles in FY 2025–26, reflecting sustained focus on sectorial development. Key initiatives such as the Production Linked Incentive (PLI) Scheme, PM MITRA Mega Textile Parks, and the National Technical Textiles Mission continued to support capacity expansion and value-added manufacturing. In addition, ongoing Free Trade Agreements (FTAs) with key partner countries are expected to enhance market access, diversify export destinations, and improve long-term trade competitiveness of the sector

Overall, the outlook for the Indian textile industry remains positive, supported by strong domestic consumption, supply chain diversification under the “China+1” strategy, government policy support including PLI schemes, export incentives, FTAs, and infrastructure expansion. While short-term volatility remains due to global uncertainties, the medium- to long-term growth trajectory remains strong, driven by value addition, technical textiles growth, sustainability adoption, and increasing global demand for diversified sourcing from India.

The operations of the textile and yarn industry are subject to various internal and external risks as well as emerging opportunities arising from global market dynamics, supply chain developments, and policy changes. A brief overview of key risks and opportunities is presented below.

Risks/ Threats – Textile & Yarn Industry

Raw Material, Climate and Agricultural Risks

The textile yarn industry is highly dependent on cotton and other fibers, making it vulnerable to fluctuations in raw material availability and prices. Cotton production is influenced by climatic conditions such as monsoon performance, temperature variations, and pest incidence, which can impact both yield and quality. Such variability leads to price volatility and directly affects procurement costs, particularly when yarn realizations do not adjust in line with input cost movements. This creates uncertainty in planning and margin stability for manufacturers.

Market, Demand and Geopolitical Risks

The industry is exposed to global demand cycles, with key export markets such as the United States and Europe playing a critical role in overall performance. Economic slowdown, inflationary pressures, and changes in consumer preferences can reduce demand for textiles and apparel. Additionally, geopolitical tensions, trade restrictions, and tariff-related developments disrupt global supply chains and influence sourcing decisions of international buyers. Increasing competition from other producing countries further intensifies pricing pressure and creates market risk for exporters.

Financial, Foreign Exchange and Input Cost Risks

The textile yarn industry faces multiple financial risks, including liquidity constraints, interest rate fluctuations, and credit risk from domestic and international buyers. Delays in receivables and tightening credit conditions can impact working capital cycles. Being export-oriented, the industry is also exposed to foreign exchange fluctuations, particularly movements in INR against USD, which can impact revenue realization and margins. In addition, rising energy, fuel, and logistics costs add further pressure on operating margins, especially for units with limited cost pass-through ability.

Operational, Cyber Security and Regulatory Risks

The increasing use of digital systems in manufacturing, finance, and supply chain management has led to rising cyber security risks, including data breaches, ransomware attacks, and system disruptions. These can affect operational continuity and data integrity. The industry also faces environmental and regulatory compliance risks due to stricter ESG norms related to emissions, water usage, and waste management. Compliance requirements may necessitate additional investments in sustainable technologies, thereby increasing short-term operational costs.

Strengths and Opportunities -Textile & Yarn Industry

Government Policy Support, Budget Allocation and Incentives

The sector continues to benefit from strong policy support by the Government of India, reflected in the budget allocation to the Ministry of Textiles and targeted sectorial schemes. Key initiatives such as the Production Linked Incentive (PLI) Scheme for Textiles, PM MITRA Mega Textile Parks, and the National Technical Textiles Mission are driving large-scale investment, capacity expansion, and value-added manufacturing. Export competitiveness is further supported through incentive schemes such as RoDTEP and duty rationalization measures, including support on raw material availability. These initiatives collectively enhance cost efficiency, promote modernization, and strengthen the competitiveness of the textile value chain.

Export Growth Opportunities and FTAs

The industry is well positioned to benefit from global supply chain diversification under the “China+1” strategy, as international brands increasingly diversify sourcing bases. India’s growing network of Free Trade Agreements (FTAs) with key partner countries is expected to improve market access, reduce tariff barriers, and enhance export competitiveness of yarn and textile products. These developments are likely to support export diversification and long-term trade growth.

Integrated Manufacturing Ecosystem and Raw Material Advantage

The Indian textile and yarn industry is supported by a well-established and integrated ecosystem, spanning fibre production, spinning, weaving, processing, and garment manufacturing. This end-to-end value chain ensures operational linkages and supports large-scale production efficiency. The availability of key raw materials, particularly cotton, within the country provides a natural advantage in terms of supply security and cost competitiveness

The textile and yarn industry remains structurally strong, supported by an integrated value chain, strong domestic demand, export opportunities, and continued government policy support through schemes such as PLI, PM MITRA, RoDTEP extension, FTAs, and budgetary allocation. Despite risks from raw material volatility, global demand fluctuations, and geopolitical uncertainties, the overall outlook remains positive, driven by domestic growth, value addition, and increasing focus on sustainable and technical textiles.

The Company is engaged in the Yarn segment and continues to operate in a challenging business environment. It is taking focused initiatives to strengthen its presence in both export and domestic markets by enhancing value-added and sustainable yarn offerings and diversifying its customer base. The Company also maintains adequate liquidity and financial resources to meet its operational requirements, financial commitments, debt servicing obligations, and statutory liabilities, as per the information available as on date.

The Company continues to closely monitor evolving market conditions and adapts its strategies to mitigate risks arising from raw material volatility and global demand fluctuations. With a disciplined operational approach and prudent financial management, the Company aims to ensure sustainable growth and long-term value creation for stakeholders.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes) in key financial ratios (change of 25% or more as compared to the immediately previous financial year. The detail is as under:-

Ratio (s)	Unit	31st March, 2026	31st March, 2025	Changes (%)	Remarks
Debtor Turnover Ratio	Days	58	66	-12.12	Due to reduction in total debtor during FY 2025-26.
Inventory Turnover Ratio	Days	57	63	-9.52	Due to significant reduction in average inventory levels through improved inventory management.
Interest Coverage Ratio	Times	6.66	5.84	14.04	Mainly due to increase in EBIDTA margins along with lower availment of Working Capital
Current Ratio	Times	3.25	2.63	23.57	Due to less utilisation of working capital limits as at the end of current year as compared to preceding year

Ratio (s)	Unit	31st March, 2026	31st March, 2025	Changes (%)	Remarks
Debt Equity Ratio	Times	0.41	0.58	-29.31	The fall in debt equity ratio is mainly due to less utilisation of working capital limits as at the end of current year as compared to preceding year
Operating Profit Margin	%	8.21	7.99	2.75	Better sales prices and low consumption cost lead to better margins, Hence ratio improved.
Net Profit Margin	%	4.80	4.48	7.02	

FINANCIAL ANALYSIS

Operational and Financial Performance Overview (FY 2025-26)

During the year under review, the Company reported a production volume of 83801 M.T. of Cotton/Synthetic Yarn, marginally higher than 81049 M.T. recorded in the previous financial year. The overall capacity utilization remained robust at approximately 96%, underscoring the Company's strong operational efficiency and placing it among the leaders in the industry. For the full year FY26, Total Income stood at Rs. 2,51,045.77 Lakhs as against previous financial year of Rs. 2,55,101.65 Lakhs , remaining largely stable compared to the previous financial year. Despite a challenging business environment and market volatility, the Company successfully sustained its revenue levels while focusing on operational efficiencies and value enhancement initiatives.

Exports remained a key pillar of the Company's growth strategy during the year. During FY 2025-26, exports contributed 52% of total revenue, demonstrating the Company's strong international market penetration and diversified customer base. The substantial export contribution supports revenue stability while also enhancing the Company's long-term growth prospects across global markets.

The Company had so far maintained an accounting policy of valuation of raw material on first-in first-out (FIFO) basis. Based on review of commonly prevailing practices by the peer companies, the Company has voluntarily changed its accounting policy to value the raw material on weighted average basis during the quarter ended 30th September 2025 with retrospective effect in accordance with the provisions of Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". This change in the method of valuation of raw material also has a consequential impact on the valuation of work-in-progress and finished goods. The Company's management believes that this change in accounting policy provides reliable and more relevant information to the users of financial results about the effects of transactions on the Company's financial position and financial performance.

Profitability

Earnings before Interest Depreciation and Tax (EBIDTA) for the year ended 31st March 2026 Rs. 30,057.37 Lakhs, over Rs. 29,359.36 Lakhs reported in FY 2024-25. For the financial year FY 2025-26, Profit after Tax increased to Rs. 11,972.38 Lakhs representing a growth of 5.8% YoY. PAT Margin improved to 4.8%, reflecting the Company's continued focus on profitability enhancement and operational discipline.

Despite a challenging operating environment, revenue remained stable while profitability improved significantly, driven by stronger operational efficiency and margin expansion,. The Company's ability to leverage inventory procured at comparatively lower costs helped enhance spreads, resulting in improved profitability and margins.

Financial Ratio

The Company's Tangible Net Worth increased significantly to Rs. 1,11,590.04 Lakhs as on 31st March 2026, compared to Rs. 1,00,690.68 Lakhs as on 31st March 2025, reflecting strong internal accruals and overall financial stability.

The Company continues to maintain a strong and improved balance sheet position during FY 2025-26. The total debt to equity ratio has improved significantly to 0.41, compared to 0.58 in the previous year, reflecting a meaningful reduction in overall leverage and improved financial stability.

The liquidity position of the Company has also strengthened, with the current ratio improving to 3.25 from 2.63 in the previous year, indicating a strong ability to meet short-term obligations and better working capital management.

Overall, the Company's financial position has strengthened during FY 2025-26 with lower debt levels, improved liquidity, and efficient working capital management, supporting a more resilient and stable balance sheet structure.

RESOURCE UTILISATION

Fixed Assets

The net Block of Property, Plant and Equipment as at 31st March, 2026 were Rs. 67368.41 Lakhs as compared to Rs. 75823.81 Lakhs in the previous year. The Capital work in progress was Rs 1470.80 Lakhs for year ended 31st March, 2026 as compared to Rs 494.02 Lakhs in the previous year.

Current Assets and Current Liabilities

The current assets as on 31st March, 2026 were Rs. 94580.72 Lakhs as against Rs. 98507.43 Lakhs in the previous year. Inventory level was at Rs. 39128.97 Lakhs as compared to the previous year level of Rs. 43491.89 Lakhs. Trade Receivables level was at Rs. 39619.66 Lakhs as compared to the previous year level of Rs. 45632.20 Lakhs. The current liabilities as on 31st March 2026 were Rs. 29136.24 Lakhs as against Rs. 37386.28 Lakhs in the previous year.

LIQUIDITY & CAPITAL RESOURCES

The position of liquidity and capital resources is given below: **(Rupees in Lakhs)**

Particulars	FY 2025-26	FY 2024-25
Cash & Cash Equivalents		
Beginning of the year	49.95	144.58
End of the year	67.32	49.95
Net Cash provided/ (used) by:		
Operating Activities	29196.64	41462.40
Investing Activities	-9375.51	-6670.64
Financial Activities	-19803.76	-34886.39

EXPANSION PROJECT

The Company is in the process of executing a greenfield expansion project to enhance its spinning capacity through the installation of 150,000 (One Lakh Fifty Thousand) spindles. In this regard, we are pleased to inform that the financial closure for the said project has been completed. The Company has secured the required land, obtained the requisite approvals, and made advances for machinery. The building and construction works are at an advanced stage, and the project is expected to be commenced before the end of the current fiscal year. This capacity expansion is expected to strengthen the Company’s ability to meet the growing demand for its products while improving overall operational efficiency. The project is likely to generate improved business synergies and provide a competitive advantage in the market. The modernization associated with this expansion will further enhance productivity and operational performance.

This strategic initiative is aligned with the Company’s long-term growth objectives and its continued commitment to technological advancement in manufacturing.

UPDATE ON SOLAR POWER PROJECT THROUGH SPV

During the Financial Year 2025–26, Sportking India Limited acquired a 26% equity stake aggregating to Rs. 14.10 crores in M/s Evincea Renewable Seven Private Limited, a Special Purpose Vehicle, for the development of a 40.3 MW solar power project intended for the generation and supply of solar energy to the Company’s facilities in Punjab. The associated Solar Power Purchase Agreement (SPPA) has been executed for a period of 25 years.

The said solar power project has successfully commenced commercial operations with effect from 18th June 2026. This milestone marks a significant step in the Company’s ongoing commitment towards sustainable growth, enhanced energy efficiency, and increased adoption of renewable energy sources. The commissioning of the project is expected to generate substantial long-term benefits, including an estimated reduction in power costs of approximately 12–13% annually. In addition to improving operational efficiency, the project further strengthens the Company’s environmental and social commitments by reducing its carbon footprint and increasing the share of clean energy in its overall energy consumption.

The successful commissioning of this project reflects the Company's continued focus on creating sustainable value for all stakeholders while optimizing operating costs and enhancing competitiveness.

CREDIT RATING

CRISIL, a leading credit rating agency, upgraded the Company's Long-Term Credit Rating from "CRISIL A/Positive" to "CRISIL A+/Stable", as per the rating letter dated 21st May 2025. This upgrade underscores the Company's strengthened financial position, consistent performance, and sound risk management practices. Additionally, the Short-Term Credit Rating has been reaffirmed at "CRISIL A1", indicating continued confidence in the Company's liquidity and short-term repayment capabilities. The detailed ratings assigned to the Company's banking facilities are provided separately in this report.

Sr. No	Name of the Facility	Amount (Rs in Crs)	Rating	Rating Action
1.	Long Term Rating	935.00	Crisil A+/Stable	Upgraded from CRISIL A/Positive" to "CRISIL A+/Stable"
2.	Short Term Rating	65.00	CRISIL A1	Ratings Reaffirmed
	Total	**1000.00**		

Further all the External Credit ratings are available on Company's website www.sportking.co.in.

TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to reserves

4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

As per Section 134(5) (e) of the Act, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls. The Company has set up strict protocols to guarantee operational support and financial reporting accuracy. Business operations are regularly observed by an internal team and audit committee, which swiftly notifies the Management Board of any anomalies. To guarantee steady and sustainable growth, the Company creates strategies to recognize, evaluate and reduce risks based on these findings. These internal control mechanisms are essential for upholding regulatory compliance, combating fraud and preserving transparency. Ultimately, the Company attracts investment, builds stakeholder confidence and achieves long-term success in the market by offering strong financial reporting and operational support.

The Statutory Auditors in their audit report have opined that these controls are operating effectively. The Audit team develops an audit plan based on the risk profile of the business activities. The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, their compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. Audit observations and corrective action(s) thereon are presented to the Audit Committee. The Audit Committee reviews the reports submitted by the Internal Auditors.

5. HUMAN RESOURCES / INDUSTRIAL RELATIONS:

The company recognizes its human resources as its most valuable asset and takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company has specialized professionals in the respective fields to take care of its operations and allied activities. The Company is committed to nurturing, enhancing and retaining the top talent through superior learning. This is critical pillar to support the organization's growth and its sustainability in the long run. During the year under review, the company enjoyed cordial relationship with workers and employees at all levels.

6. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

Not Applicable, during the year under review

7. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not Applicable, during the year under review

8. DIVIDEND

The Board of Directors in their meeting held on May 16th, 2026 are pleased to recommend a Final Dividend of Rs. 1/- per equity share of face value of Rs. 1/- each on fully paid equity shares amounting to Rs 1270.72 Lakhs and 5% on Non-Cumulative Non- Convertible Redeemable Preference Shares of face value of Rs. 10/- each amounting to Rs. 34.16 Lakhs for FY 2025-26. Dividend to Equity Shareholders is subject to approval of members at the ensuing Annual General Meeting and will be paid within the time period stipulated under the Companies Act, 2013. The Dividend will be paid to members whose names appear in the register of members as on record date and in respect of shares held in dematerialized form, whose names are furnished by NSDL and CDSL as beneficial owners as on that date.

The Company had formulated a Dividend Distribution Policy and is annexed hereto as "**Annexure A**" and forms part of this Report. The Policy is also available on Company's website and web link thereto is https://sportking.co.in/wp-content/uploads/2025/11/Dividend-Distribution-Policy.pdf

9. MATERIAL CHANGES

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

During the year under review, there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

10. SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2026 stood at Rs 1286.80 Lakhs divided into 12,70,72,000 Equity Shares of the face value of Rs. 1/- each (Rs. 1270.72 Lakhs plus amount of Rs. 16.08 Lakhs paid up on forfeited Equity Shares) vis-à-vis paid up Equity Share Capital as at 31st March, 2025 stood at Rs 1286.80 Lakhs divided into 12,70,72,000 Equity Shares of the face value of Rs. 1/- each (Rs. 1270.72 Lakhs plus amount of Rs. 16.08 Lakhs paid up on forfeited Equity Shares)

The paid up 5% Redeemable Non-Cumulative Non-Convertible Preference Shares Capital as at 31st March, 2026 stood at Rs. 683.20 Lakhs divided into 68,32,000 Preference Shares face value of Rs. 10/- each vis-à-vis Rs. 683.20 Lakhs as at 31st March, 2025 divided into 68,32,000 Preference Shares face value of Rs. 10/- each.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company, under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any equity shares with differential rights.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company, under the provision of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any sweat equity shares.

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued any stock options to employees and as on 31st March, 2026 none of the Directors of the Company hold instruments convertible into equity shares of the Company.

11. SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

The Company does not have any Subsidiary/Associate/Joint Venture Companies.

During the Financial Year 2025–26, the Company acquired a 26% equity stake aggregating in M/s Evincea Renewable Seven Private Limited under a long-term Solar Power Purchase Agreement (SPPA). Although the Company holds 26% of the equity share capital of M/s Evincea Renewable Seven Private Limited, the investment does not constitute an associate relationship under the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards, as the Company does not exercise significant influence over the financial and operating policy decisions of the investee. The Company's investment of 26% equity has been made solely to comply with the captive generating plant requirements prescribed under the Electricity Act, 2003 and the applicable Electricity Rules and regulations governing captive power projects. Accordingly, the investment is regulatory in nature and does not result in the Company exercising significant influence or control over the SPV.

12. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of the Companies Act, 2013 read with Rules made thereunder, the disclosure relating to the CSR activities pursuant to section 134(3) of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014, is annexed hereto as "**Annexure B"** and forms part of this Report.

The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board, outlines the activities to be undertaken by the Company in accordance with the applicable provisions of the Companies Act, 2013. The CSR Policy is available on the Company's website and can be accessed by stakeholders.

During the year, the Company has also amended and upgraded its CSR Policy to align it with the latest amendments and requirements under the Companies Act, 2013 and the applicable rules thereunder. The revised policy strengthens the Company's framework for planning, implementing, and monitoring CSR initiatives, ensuring greater transparency, governance, and effectiveness in delivering social impact. The CSR Policy of the Company approved by the Board, may be accessed on the Company's website https://sportking.co.in/wp-content/uploads/2025/08/CSR-POLICY.pdf

13. RISK MANAGEMENT POLICY

The Company has adopted a comprehensive Risk Management Policy, in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy, duly approved by the Board of Directors, is designed with the objective of ensuring sustainable business growth and operational stability, while fostering a proactive approach to identifying, evaluating, and addressing various risks associated with the Company's operations. To achieve this objective, the Policy outlines a structured and disciplined framework for risk assessment and mitigation, enabling informed and timely decision-making on risk-related matters. This approach strengthens the Company's ability to manage uncertainties effectively and supports long-term value creation for stakeholders. The Policy on Risk Management may be accessed on the Company's website and web link thereto is https://sportking.co.in/wp-content/uploads/2024/11/RISK-MANAGEMENT-POLICY.pdf

14. RELATED PARTY TRANSACTIONS

All contracts, arrangements and transactions entered into by the Company with related parties during the Financial Year 2025–26 were in the ordinary course of business and on an arm's length basis, in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Audit Committee granted omnibus approval for repetitive related party transactions on an annual basis in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations. All related party transactions were placed before the Audit Committee and the Board of Directors on a quarterly basis for their review and approval.

During the year under review, the Company did not enter into any material related party transaction requiring shareholders' approval under Regulation 23 of the SEBI Listing Regulations. Further, there were no materially significant related party transactions that could have had any potential conflict with the interests of the Company.

As all contracts, arrangements and transactions with related parties were entered into in the ordinary course of business and on an arm's length basis, there were no contracts or arrangements requiring disclosure under Section 188(1) of the Companies Act, 2013. Accordingly, the particulars prescribed under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, in **Form AOC-2**, are annexed to this Report as **Annexure C**.

The details of related party transactions entered into during the year are disclosed in the notes forming part of the standalone financial statements. In compliance with Regulation 23 of the SEBI Listing Regulations, the Company also submits disclosures of related party transactions to the Stock Exchanges and publishes the same on its website.

POLICY

During the year, the Board of Directors, based on the recommendation of the Audit Committee, approved revisions to the Policy on Dealing with and Materiality of Related Party Transactions and the framework governing transactions with related parties to, inter alia:

- incorporate changes arising from amendments to the SEBI Listing Regulations and the Industry Standards relating to the minimum information required to be placed before the Audit Committee and shareholders for approval of related party transactions;
- update the framework for determining arm's length pricing by modifying the list of covered transactions; and
- incorporate other consequential and editorial changes, wherever necessary.

The revised Policy on Dealing with and Materiality of Related Party Transactions is available on the Company's website at https://sportking.co.in/wp-content/uploads/2026/02/Related-Party-Transaction-Policy.pdf

Review and Compliance

The Audit Committee reviewed all related party transactions during the year and confirmed that they were in accordance with the Company's Policy on Dealing with and Materiality of Related Party Transactions, applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The Board is satisfied that all such transactions were undertaken in the ordinary course of business, on an arm's length basis, and were in the best interests of the Company and its stakeholders.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE:

The particulars of loans given, guarantees or securities provided, and investments made as required under Section 186 of the Act are given in the Notes to Financial Statements and form part of this Report.

16. DIRECTORS

The following is the constitution of the Board of Directors as on 31st March, 2026

Sr. No.	Name of the Director	Designation
1.	Mr. Munish Avasthi	Chairman & Managing Director
2.	Mrs. Anjali Avasthi	Non-Executive, Non Independent Director
3.	Mr. Chetan Rupal	Whole-time Director
4.	Mr. Puneet Singhania	Independent Director
5.	Mrs. Harpreet Kaur Kang	Independent Director
6.	Mr. Sandeep Kapur	Independent Director

Changes in Directors during the Year

1. Mr. Naresh Kumar Jain, Whole-time Director, passed away on 07th June 2025. He had been associated with the Company as a Whole-time Director since 2009 and made significant contributions to the Company's growth and development. Consequent to his demise, he ceased to be a Director of the Company with effect from 07th June 2025.
2. Further at the 36th Annual General Meeting of Sportking India Limited duly convened on 30th August, 2025, the shareholder of the company approved the appointment/re-appointment of following directors
    - Appointment of Mr. Puneet Singhania (DIN: 01551462): Mr. Puneet Singhania was appointed as an Independent Director of the Company, not liable to retire by rotation, for a first term of five consecutive years with effect from 02nd August 2025.
    - Re-appointment of Mrs. Harpreet Kaur Kang (DIN: 03049487): Mrs. Harpreet Kaur Kang was re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years, effective from 17th October 2025 to 16th October 2030 (both days inclusive).
    - Re-appointment of Mr. Munish Avasthi (DIN: 00442425): Mr. Munish Avasthi was re-appointed as the Managing Director and Chief Executive Officer (CEO) of the Company, liable to retire by rotation, for a further period of three years with effect from 01st October 2025.
    - Appointment of Mr. Chetan Rupal (DIN: 00253536): Mr. Chetan Rupal was appointed as Whole-time Director of the Company, liable to retire by rotation, for a period of three years with effect from 02nd August 2025.

Changes in Directors between the End of Financial Year and Date of the Board Report

There is no change in directors between the end of financial year and date of the board report.

Directors proposed to be appointed / re- appointed at the ensuing Annual General Meeting:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Anjali Avasthi (DIN: 06911970) Non-Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for the reappointment. The retirement of director by rotation at the ensuing Annual General Meeting is determined in accordance with the provisions of the Companies Act, 2013.

Further On the recommendation of the Nomination and Remuneration Committee, in accordance with the provisions of Companies Act, 2013, (the Act), and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors of the Company in their meeting held on 01st August 2026 approved the change in designation of Mrs. Anjali Avasthi (DIN: 06911970), from Non- Executive Director to Whole time Director designated as Executive Director of the Company for a period of 3 years with effect from 01st August 2026, liable to retire by rotation subject to approval of the shareholders.

The brief resumes and other details relating to Director who are proposed to be appointed / re-appointed as required to be disclosed under Regulation 36 (3) of the Regulations, form part of the Statement setting out material facts annexed to the Notice of the Annual General Meeting. The resolutions seeking approval of the members for the appointment / change in designation of Director have been incorporated in the Notice of the Annual General Meeting of the Company.

Declaration of Independence

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulations 16(1)(b) and 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI LODR Regulations"), that they are independent from the Management of the Company and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, all the Independent Directors have given declarations that they complied with the provisions of Companies (Appointment and Qualifications of Directors) Rules, 2014. The Independent Directors have given declarations that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Business Conduct and Ethics of the Company.

The Board confirms that all the Independent Director on the Board of the Company are registered with the Indian Institute of Corporate Affairs (IICA) as notified by the Central Government under section 150(1) of the Companies Act, 2013. In the opinion of the Board, the Independent Directors fulfills the conditions of independence, are independent of the management, possess the requisite integrity, experience, expertise, proficiency and qualifications to the satisfaction of the Board of Directors. The details of remuneration paid to the members of the Board is provided in the Report on Corporate Governance.

Board Committees

The Company has constituted the following committees in compliance with the Companies Act, 2013 and the Listing Regulations.

Audit Committee
Nomination and Remuneration Committee
Stakeholders' Relationship Committee
Corporate Social Responsibility Committee
Risk Management Committee.

All these committees have been established as a part of the best corporate governance practices. There have been no instances where the Board has not accepted any recommendation of the aforesaid committees. The details in respect to the compositions, powers, roles, and terms of reference etc., are provided in the Corporate Governance Report forming part of this report.

17. KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013 read with rule 3 and 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name	Designation
1.	Mr. Munish Avasthi	Chairman and Managing Director
2.	Mr. Sandeep Sachdeva	Chief Financial Officer
3.	Mr. Lovlesh Verma	Compliance Officer and Company Secretary

18. AUDIT COMMITTEE

The Company had an Audit Committee of the Board of Directors, the following is the constitution as on 31st March, 2026

Sr. No.	Name	Designation
1.	Dr. Sandeep Kapur	Chairman
2.	Mrs. Harpreet Kaur Kang	Member
3.	Mr. Puneet Singhania	Member
4.	Mr. Chetan Rupal	Member

Dr. Sandeep Kapur designated as the Chairman of the Committee w.e.f 30.08.2025. Subsequently, on 02.08.2025 Mr. Chetan Rupal and Mr. Puneet Singhania was inducted as a member of the Committee.

The Committee is empowered to look into all the matters related to finance and accounting and its terms of reference are as per regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. All the Members of the Committee possess strong accounting and financial management knowledge. The Company Secretary of the Company is the Secretary of the Committee. All the recommendations of the Audit Committee were accepted by the Board.

MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year, Board Meetings and Audit Committee Meetings were duly convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, Committees of the Board and each Director individually. A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement, independence of judgment, decision-making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

The Independent Directors of the Company met without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole, review the performance of the Chairman and Managing Director of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

NOMINATION AND REMUNERATION POLICY

In compliance with Section 178 of the Companies Act, 2013, the Nomination and Remuneration Policy of the Company has been designed to keep pace with the dynamic business environment and market-linked positioning. The Policy has been duly approved and adopted by the Board pursuant to the recommendations of the Nomination and Remuneration Committee of the Company. During the year under review, the Policy was reviewed and amended, wherever considered necessary, to align with the applicable statutory requirements, regulatory developments, and the evolving business needs of the Company. The

Policy outlines the criteria for the selection, appointment, and remuneration of Directors, Key Managerial Personnel, and Senior Management, as detailed in the Corporate Governance Report. The Policy is available on the Company's website at https://sportking.co.in/wp-content/uploads/2025/08/NMR-POLICY.pdf

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Your Company is focused to ensure that ethics continue to be the bedrock of its corporate operations. It is committed to conducting its business in accordance with the highest standards of professionalism and ethical conduct in line with the best governance practices.

Pursuant to Section 177(9/10) of the Companies Act, 2013 and regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a whistle blower policy for vigil mechanism for directors and employees reporting for unethical behavior, fraud and mismanagement or violation of Company's code of conduct.

The Policy provides adequate protection to the Directors, employees and business associates who report unethical practices and irregularities. The Policy provides details for direct access to the Chairman of the Audit Committee. Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy. The detailed Policy on Whistle Blower/Vigil Mechanism as approved by the Board may be accessed from the Company's website at https://sportking.co.in/wp-content/uploads/2024/11/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY.pdf

19. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company had constituted an Internal Complaints Committee. The details of all such Complaints and its proper redressal through prompt corrective steps are informed to the Top Management so as to ensure that suitable processes and mechanisms are put in place to ensure that issues of sexual harassment, if any, are effectively addressed. The Committee has not received any complaints of sexual harassment during the financial year 2025-26. The details with respect to such complaints and its status thereto, are as under:

Particulars	Number of Complaints
Complaints received during the financial year	Nil
Complaints disposed off during the financial year	Nil
Cases pending for more than 90 days	Nil
Complaints pending as at the end of the financial year	Nil

20. Registrar and Share Transfer Agent

M/s Beetal Financial & Computer Services Private Ltd. is the Registrar and Share Transfer Agent of the Company.

21. DIRECTORS' RESPONSIBILITY STATEMENT

Directors' Responsibility Statement pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act on the annual accounts of the Company for the year ended on March 31, 2026 is provided below:

i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures from the same.

ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reason able and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on 31st March, 2026.

iii) The directors had taken proper and sufficient care 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.

iv) The directors had prepared the annual accounts on a going concern basis.

v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and were operating effectively.

vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. AUDITORS AND THEIR REPORT

STATUTORY AUDITORS

The Members of the Company in their Annual General Meeting held on 30th September, 2022 had re-appointed M/s. SCV & Co, LLP, Chartered Accountants (Firm registration No. 000235N/N500089) as Statutory Auditors of the Company for a further period of five years from the conclusion of forthcoming Annual General Meeting till the conclusion of the 38th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

The Statutory Auditors of the Company had submitted Auditors' Report on the accounts of the Company for the Financial Year ended 31st March, 2026. There is no audit qualification reservations or adverse remarks or disclaimer in the said financial statements. The comments in the Auditors' Report read with Notes to Accounts are self- explanatory and do not call for any further explanation.

COST AUDITORS

The Company is maintaining the Cost Records, as specified by the Central Government under section 148(1) of Companies Act, 2013. M/s R.R. & Company, Cost Accountants had submitted Cost Audit Report along with Annexure for the Financial Year ended 31st March, 2026. There is no a qualification reservation or adverse remarks or disclaimer in the said report.

The Board of Directors, on the recommendation of Audit Committee, has re-appointed M/s R.R. & Company, Cost Accountants, (Firm Registration No. 000323) as Cost Auditor to audit the cost accounts of the Company's for the Financial Year 2026-27. As required under provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the AGM for their ratification.

The Cost Audit Report for the financial year ended March 31, 2026 shall be filed with the Central Government within the prescribed time limit.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

M/s Sunny Kakkar & Associates, Practicing Company Secretaries, sole proprietorship firm (peer- reviewed by the Institute of Company Secretaries of India) having ICSI Membership No - FCS NO – 10111 and CP NO-12712 has been appointed as the Secretarial Auditor of the Company at the 36th AGM of the Company held on 30th August 2025, for a term of 5 (five) consecutive years beginning from FY 2025-26 and up to FY 2029-30, to conduct the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended 31 March 2026 is annexed as Annexure - D. The Report does not contain any qualification, reservation, or adverse remark, which require explanations / comments by the Board.

SECRETARIAL STANDARDS COMPLIANCE

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

23. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the Financial Year 2025-26 has been uploaded on Company's website at www.sportking.co.in.

24. LISTING OF SECURITIES

The fully paid up 127072000 Equity Shares (face Value of Rs. 1/- each) of the Company are listed on BSE Limited and National Stock Exchange of India Limited (NSE) for trading as on 31.03.2026. The Company has also paid the listing fees for financial year 2026-27 to BSE and NSE within the prescribed due time.

25. ENVIRONMENT AND SAFETY

The Company is conscious of importance of environment clean and safety operations. The Company policy requires the conduct of all operations in such a manner so as to ensure the safety of all concerned, for environment protection and prevention of various natural resources to the extent possible. In its continued commitment towards sustainability and reducing its carbon footprint, the Company has initiated a significant step in renewable energy adoption during the year. The Company has already commissioned Rooftop Solar Power Project at their Bathinda and Ludhiana Units for captive consumption. This initiative not only enhances energy efficiency but also reinforces the Company's commitment to environmental responsibility by reducing dependency on external energy sources and contributing to the reduction of greenhouse gas emissions.

26. PUBLIC DEPOSITS

The Company has not raised any deposits from the public. Hence, the provisions of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 with regard to acceptance of deposits from public are not attracted.

27. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings & outgo is given in "**Annexure-E**" and forms part of this report.

28. PARTICULARS OF EMPLOYEES

The disclosures in respect of managerial remuneration as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Rule 5 (2) and 5 (3) Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in **"Annexure F"** and forms part of this report.

29. MATERNITY BENEFIT ACT

During the year under review, the Company has complied with the provisions of Maternity Benefit Act, 1961.

30. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR)

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') on initiatives taken from an environmental, social and governance perspective, in the prescribed format as annexed to this report as "**Annexure-G**" and also available on the Company's website.

31. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all Senior Manager Personnel in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website.

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and all Senior Manager Personnel in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

32. CORPORATE GOVERNANCE

The Corporate Governance, which forms an integral part of this Report, are set out as separate Annexure, together with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In your Company, prime importance is given to reliable financial information, integrity, transparency, fairness, empowerment and compliance with law in letter & spirit. Your Company proactively revisits its governance principles and practices as to meet the business and regulatory needs. Detailed compliances with the provisions of the SEBI LODR Regulations and Companies Act, 2013 for the year 2025-26 are given in Corporate Governance Report, which forms part of the Annual Report.

33. GENERAL DISCLOSURES

According to Board of Directors, there were no disclosure or reporting required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to issue of equity shares with differential voting rights as to dividend, voting or otherwise.
2. Significant or material orders passed by the regulators or courts or tribunals which impact the going concern status and Company's operation in future.
3. No Change in the nature of the Business.
4. No fraud has been reported by the Auditors to the Audit Committee.
5. During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
6. There was no failure to implement any Corporate Action during the year.
7. The securities of the Company were not suspended from trading anytime during the year.
8. The CEO & CFO of the Company have issued the necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations, for the financial year 2025-26

34. CAUTIONARY STATEMENT

Certain statements presented in this Directors' Report and Management Discussion and Analysis Report, encompassing the Company's objectives, projects, estimates, and expectations, may be considered "forward-looking statements" under applicable laws and regulations. It's important to acknowledge that the actual results may deviate from these expectations and forward-looking statements due to an array of risks and uncertainties. Actual results could differ materially from those expressed or implied. These factors include but are not limited to raw material availability and its prices, cyclical demand and, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

35. APPRECIATIONS AND ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment during the year under review.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, business partners and others associated with it as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be your Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

By Order of the Board
For Sportking India Limited

(Munish Avasthi)
Chairman & Managing Director
DIN: 00442425

Place: Ludhiana
Date:01.08.2026

Regd. Office:
Village Kanech, Near Sahnewal, GT Road,
Ludhiana-141120 (Punjab)

ANNEXURE A

DIVIDEND DISTRIBUTION POLICY

1. PHILOSOPHY

Sportking India Limited practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the shareholders' in the Company through various means. The Company firmly believes that driving growth creates maximum shareholder value. The Board of Directors (the "Board") of Sportking India Limited (the "Company") has adopted the Dividend Distribution Policy (the "Policy") under Regulation 43A Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits

2. OBJECTIVE

The objective of this Policy is to reward the shareholders of the Company by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for future growth of the Company. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time. Through this Policy, the Company would endeavour to maintain a consistent approach to Dividend pay-out

The Policy shall not apply to:

a. Determination and declaring dividend on preference shares (if any), as the same will be as per the terms of issue approved by the shareholders;

b. Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law;

c. Distribution of cash as an alternative to payment of dividend by way of buyback of equity shares.

The parameters set out in the policy are applicable for declaration of both Interim Dividend and Final Dividend.

3. EFFECTIVE DATE

The Policy shall come into force with effect from the date SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 taking effect with respect to the Company.

4. DEFINATIONS

In this Policy, unless the context otherwise requires:

1. **"Act"** shall mean the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.
2. **"Applicable Laws"** shall mean the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
3. **Board or Board of Directors** shall mean the Board of Directors of the Company
4. **"Company"** shall mean Sportking India Limited and wherever the context requires, shall signify the Company acting through its Board.
5. **"Dividend"** shall mean Dividend as defined under Companies Act, 2015.
6. **"Financial Year"** shall mean the period beginning from 1th April of every year to 31 March of the succeeding year.
7. **"Policy** or this Policy shall mean this Dividend Distribution Policy and as may be amended from time to time,
8. "**SEBI Regulations** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s)

5. GENERAL POLICY OF THE COMPANY AS REGARDS DIVIDEND

The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following

I. Subject to the considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the CFO, and other relevant factors.

II. The Board may also, where appropriate, aim at distributing dividends in kind, subject to applicable law, in form of fully or partly paid shares or other securities

6. **PROCEDURE**

The Act provides for two types of Dividend - Final & Interim. The final Dividend is paid once for the Financial Year after the annual accounts are prepared. The Board of Directors shall have the power to recommend the final Dividend to the shareholders for their approval in the Annual General Meeting of the Company. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

The Board of Directors shall have the absolute power to declare interim Dividend during the Financial Year, as and when they consider it fit. Before declaring interim Dividend, the Board shall consider the financial position of the Company that allows the payment of such Dividend, In case no Final Dividend is declared, interim Dividend paid during the year, if any, will be regarded as final dividend at the annual general meeting.

Pursuant to the provisions of Applicable Laws and this Policy, Interim Dividend approved by the Board of Directors will be confirmed by the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders, approval, at the ensuing annual general meeting of the Company.

The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.

7. **CIRCUMSTANCES UNDER WHICH SHAREHOLDERS OF THE COMPANY MAY OF MAY NOT EXPECT DIVIDEND**

The shareholders of the Company may or may not expect Dividend under the following circumstances;

i. Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital

ii. Significant higher working capital requirements adversely impacting cash flow.

iii. Whenever it undertakes any acquisitions or restructuring or joint ventures requiring significant allocation or reduction of capital.

iv. Whenever it proposes to utilise surplus cash for buy back of securities or

v. In the event of inadequacy of profits or whenever the Company has incurred losses.

8. **PARAMETERS FOR DECLARATION OF DIVIDEND**

➢ **Financial Parameters/Internal Factors;**

Subject to the provisions of the Act, Dividend shall be declared or paid only out of:

i. Current Financial Year's profit

   a. After providing for depreciation in accordance with law;

   b. After transferring to reserves such amount as may be prescribed under the Act or as may be otherwise considered appropriate by the Board at its discretion.

ii. The profits for any previous Financial Year(s):

   a) After providing for depreciation in accordance with law;

   b) Remaining undistributed; or

iii. Out of i) & ii) both

The Board of Directors of the Company would consider the following financial parameters / internal factors before declaring or recommending Dividend to shareholders:

   i. Profits earned during the year

   ii. Capital expenditure requirement

   iii. Past performance /Dividend history of the Company

iv. Resources required to fund acquisitions and/or new businesses;

v. Cash Flow required to meet operations borrowings;

vi. Cost of borrowing and outstanding borrowing;

vii. Return on capital invested & post Dividend EPS;

viii. Additional investments in subsidiaries /associates of the Company;

ix. Any other factor as deemed fit by the Board.

➢ **External factors**

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to the shareholders;

i. State of Economy

In case of uncertain or recessionary economic and business conditions, Board will endeavour to retain larger part of profit to build up reserves to absorb future contingencies

ii. Statutory Requirement

Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including taxation.

9. MANNER OF UTILISATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the available funds and increase the value of the shareholders in the long run.

The decision of utilization of the retained earnings of the Company shall be based on the following factors in addition to factors stated in this Policy:

- Market expansion plan;
- Product expansion plan;
- Modernization plan;
- Diversification of business;
- Long term strategic plans;
- Replacement of capital assets;
- cost of debt;
- Other such criteria as the Board may deem fit.

10. PARAMETERS TO BE ADOPTED FOR VARIOUS CLASSES OF SHARES

Presently, the Company has issued only one class of equity shares with equal voting rights. Accordingly, all members of the company are entitled to receive the same amount of dividend per equity share. The Policy shall be suitably revisited at the time of issue of any new class of shares subject to statutory provisions.

11. DISCLOSURE

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company

12. AMENDMENTS TO THE POLICY

This Policy has been embraced and adopted by the Board voluntarily for effective corporate governance. However, the Policy would be subject to modification in accordance with the statutory provisions and applicable guidelines as may be applicable from time to time.

13. DISCLAIMER

This document does not solicit investments in the Company's securities nor it is an assurance of guaranteed returns (in any form), for investment in the Company's equity shares.

ANNEXURE B

CSR ACTIVITIES

For Financial Year Ended 31st March, 2026

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and its amendment)

1. **A brief outline of the company's CSR Policy.**

   The Company's CSR initiatives are inspired by the opportunity to contribute to a more secure and sustainable future. Sportking believes that the corporate strategy which embraces social developments as an integral part of the business activities ensure long term sustainability of business enterprises. With this belief, the Company is committed to make substantial improvements in the social framework of the nearby community.

   The detailed policy of the company on corporate social responsibility is available at Company's website https://sportking.co.in/wp-content/uploads/2025/08/CSR-POLICY.pdf

2. **The Composition of the CSR Committee.**

   The Members of the Corporate Social Responsibility (CSR) Committee which is as under:

Sr. No	Name of the Director	Designation	Category
1.	Mr. Munish Avasthi	Chairman	Executive Promoter Director
2.	Mrs. Anjali Avasthi	Member	Non-Executive Non Independent Director
3.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director

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://sportking.co.in/wp-content/uploads/2025/08/CSR-POLICY.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable- **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-

Amount (In Rs.)

Sr. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set- off for the financial year, if an
1.	2025-26	Rs. 11.85 Lakhs	Rs. 11.85 Lakhs

6. Average net profit of the company as per section 135(5)- **Rs. 14677.77 Lakhs**

7. (a) Two percent of average net profit of the Company as per section 135(5)- **Rs. 293.56 Lakhs**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years- **Nil**

   (c) Amount required to be set off for the financial year, if any- **Rs. 11.85 lakhs**

   (d) Total CSR obligation for the financial year (7a+7b- 7c) - **Rs. 281.71 lakhs**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	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.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
Rs. 283.69 Lakh	Nil	NA	NA	Nil	NA

   (b) Details of CSR amount spent against ongoing projects for the financial year: **Nil**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Amount spent for the project (in Rs.)	Mode of implementation – Direct (Yes/No).	Mode of implementation –Through implementing agency.
1.	Contribute towards Eradication of poverty	Eradicating Poverty by distributed Clothes	Yes	Ludhiana /Bathinda	178.12	Yes	NA
2.	Contribute towards Eradication of poverty	Eradicating Poverty by distributed Clothes	Yes	Bathinda	52.62	No	Through Bharat Vikas Parishad , Delhi (CSR-CSR00000558)
3..	Contribute towards eradicating poverty and promoting health care including preventive health care and sanitation	Eradicating poverty and promoting health	Yes	Ludhiana/ Bathinda	17.95	No	NA
4.	Contribution toward disaster management, including relief, rehabilitation and reconstruction activities	Disaster Management	Yes	Punjab	25.00	Yes	NA
5.	Contribution toward disaster management, including relief, rehabilitation and reconstruction activities	Disaster Management	Yes	Ludhiana	10.00	No	Through Red Cross Society (CSR-CSR00028482

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 283.69 Lakhs**

(g) Excess amount for set off, if any:

Sr No	Particular	Amount (In Rs)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 293.56 Lakhs
(ii)	Total amount spent for the Financial Year	Rs. 283.69 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(Rs. 9.87 Lakhs)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. 11.85 Lakhs
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs 1.99 lakh

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **None**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

12. **A responsibility statement of the CSR Committee:** The CSR Committee hereby confirms that the implementation and monitoring of CSR policy has been carried out with all reasonable care and diligence and the same is in compliance with the CSR objectives and the policy of the Company.

Place: Ludhiana
Date : 01.08.2026

Munish Avasthi
Chairman of CSR Committee

ANNEXURE C

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   During the Financial Year 2025-26, the Company had not entered into any contract/ arrangement/ transaction with its related parties which is not in ordinary course of business or at arm's length.

   a) Name(s) of the related party and nature of relationship: **Not Applicable**

   b) Nature of contracts/arrangements/transactions: **Not Applicable**

   c) Duration of the contracts/arrangements/transactions: **Not Applicable**

   d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**

   e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**

   f) Date of approval by the Board: **Not Applicable**

   g) Amount paid as advances, if any: **Not Applicable**

   h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Not Applicable**

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

   All the transactions entered into by the Company with its related parties, during the year under review were in the "ordinary course of the business" and on "an arm's length basis", none of which was "material" in accordance with the Company's Related Party Transactions Policy.

   a) Name(s) of the related party and nature of relationship: **Not Applicable**

   b) Nature of contracts/arrangements/transactions: **Not Applicable**

   c) Duration of the contracts/arrangements/transactions: **Not Applicable**

   d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**

   e) Date(s) of approval by the Board, if any: **Not Applicable**

   f) Amount paid as advances, if any: **Not Applicable**

By the order of the Board
For Sportking India Limited

Munish Avasthi
Chairman & Managing Director
DIN: 00442425

Place: Ludhiana
Date: 01.08.2026

ANNEXURE D

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2026

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

To,
The Members,
Sportking India Limited
CIN:- L17122PB1989PLC053162
Village Kanech, Near Sahnewal,
G.T Road, Ludhiana -141120, Punjab.

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

Auditors Responsibility:

Based on our verification of the listed entity's books, papers, minute books, forms, E-forms, websites 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 (Audit Period)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, approvals, licenses, forms include E-forms, returns filed and other records maintained by the company for the financial year ended on March 31, 2026, according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder" FEMA" to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(Not Applicable for the period under review)**;

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

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

a) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(vi) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(vii) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity Shares) Regulations, 2021;**(Not Applicable for the period under review)**;

(viii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**(Not Applicable for the period under review)**;

(ix) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(x) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **(Not Applicable for the period under review)**;

(xi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not Applicable for the period under review**);

(xii) Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021- (**Not Applicable during the audit period**);

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

a. Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2).

b. The SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the Period under review, the company has generally complied with the applicable provisions of the Act, rules, regulations, guidelines and standards etc., mentioned above and filed requisite forms and returns as per prescribed under the various law.

(xiii) We have relied on the representation made by the Company & its officers for the system and mechanism formed by the company for its compulsory certificates, registrations and various compliances filed by the company under applicable Acts as Environmental Laws & Labour Laws as per list attached herewith.

Based on the information received and records maintained, we further report that:

The Board of Directors of the Company is constituted with proper balance of Executive, Non-Executive and Independent Directors and Women Director.

Adequate notice of meetings as per the law in advance was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.

Majority decision is carried through and recorded in the minutes of the meetings. Further as informed and verified from minutes, no dissent was given by any director in respect of the resolutions passed in the board and the committee meetings.

That the Company has proper Board-processes and compliance mechanism.

Specific Events:-

- Mr. Naresh Kumar Jain, Executive Director of the Company, passed away on **07th June 2025**. The Board of Directors placed on record its appreciation for his valuable contribution to the Company.
- The Board of Directors, at its meeting held on 02nd August 2025, appointed **Mr. Chetal Rupal (DIN: 00253536)** as an **Additional Whole-time Director**. His appointment was subsequently approved and regularized by the members at the Annual General Meeting held on 30 August 2025 for a term of three (3) years.
- The Board of Directors, at its meeting held **on 02nd August 2025**, appointed **Mr. Puneet Singhania (DIN: 01551462)** as an **Additional Independent Director**. His appointment was approved and regularized by the members at the Annual General Meeting held on 30th August 2025 for a term of five (5) consecutive years.
- During the period under review, **Mrs. Harpreet Kaur Kang (DIN: 03049487)** was re-appointed as an **Independent Director** for a **second term of five (5) consecutive years**, in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- **Mr. Prashant Kochhar** (DIN: 07298730) **ceased to be an Independent Director** of the Company upon completion of his second consecutive term with effect from the close of business hours on **30th August 2025**. The cessation was taken on record by the members at the Annual General Meeting held on 30th August 2025, in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the year under review, the Company declared a dividend of **₹ 1.00 (Rupee One only) per equity share**. The dividend was paid through a separate bank account opened with Yes Bank Limited, in compliance with the provisions of the Companies Act, 2013.
- In supersession of the earlier resolution, the members of the Company, at their Annual General Meeting held on 30.08.2025, passed a Special Resolution under Section 180(1)(c) of the Companies Act, 2013, enhancing the borrowing limit of the Company up to ₹2,500.00 Crore.

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 compliances with applicable laws, rules, regulations, guidelines, standards etc.

We further report that during the audit period the company has not incurred any other specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

For:- M/s Sunny Kakkar & Associates
Company Secretaries

Date 01/08/2026
Place:- Ludhiana
UDIN:- F010111H000995581

CS Sunny Kakkar
FCS, LL.B, B.COM
FCS No. 10111, CP No. 12712
Prop.
Peer Reviewed No. S2013PB236900

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

ANNEXURE A

To,
The Members,
Sportking India Limited
CIN:- L17122PB1989PLC053162
Village kanech, Near Sahnewal,
G.T Road, Ludhiana -141120, Punjab.

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2026 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. We believe that the processes and practices, we followed provide a reasonable basis our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever 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 the management. Our examination was limited to the verification of the procedures on 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.
7. As per the information provided by the Company, there are certain disputes cases filed by or against the Company, which are currently lying pending with the various Courts and Tribunals and tax authorities. However, as informed, these cases have no major impact on the Company.

For :- M/s Sunny Kakkar & Associates
Company Secretaries

Date 01/08/2026
Place:- Ludhiana
UDIN:- F010111H000995581

CS Sunny Kakkar
FCS, LL.B, B.COM
FCS No. 10111, CP No. 12712
Prop.
Peer Reviewed No. S2013PB236900

ANNEXURE E

Information as per Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended 31st March, 2026.

1. Conservation of Energy

- The 27.62 MW Solar Power Plant continued to generate renewable energy consistently, contributing significantly to the Company's clean energy portfolio and reducing dependence on conventional power sources.
- Energy-efficient spindles were installed to reduce power consumption and improve operational efficiency.
- H-Plant operations were optimized during the winter season, resulting in enhanced energy utilization and improved process efficiency.
- High-efficiency compressor-based air conditioning systems were installed to reduce electricity consumption while maintaining optimal operating conditions.
- Conventional water pumps were replaced with energy-efficient pumps to achieve lower energy consumption and improved system performance.
- LED lighting was installed across various facilities to reduce electricity usage and enhance overall energy efficiency.
- The Company initiated the capital expenditure (CAPEX) for a 40.3 MW captive solar power project during FY 2025–26 through a Special Purpose Vehicle under a 25-year Solar Power Purchase Agreement. The project was successfully commissioned during FY 2026–27. It is expected to reduce annual power costs by approximately 12–13%, increase the share of renewable energy in the overall energy mix, lower greenhouse gas emissions and carbon footprint, enhance energy security, and create long-term sustainable value through improved operational efficiency and cost optimization.

These initiatives reflect the Company's continued commitment to energy conservation, operational excellence, and sustainable manufacturing practices. These initiatives have not only resulted in reduced energy consumption and greenhouse gas emissions but have also enhanced operational efficiency and lowered costs.

(FORM A)

A Power & Fuel Consumption

		2025-26	2024-25
i)	Electricity		
a)	Purchased Units (Kwh.) Amount (Rs.) Rate Per Unit (Rs.)	 258240015 1610298499 6.24	 234335237 1523463502 6.50
b)	(Through Generator)		
	Units (Kwh)	107118	68629
	Amount (Rs.)	2786925	1768799
	Cost per unit (Rs.)	26.02	25.77
ii)	Coal / Pet coke		
	Qty. (Kgs.)	NIL	1804845
	Amount (Rs.)	NIL	23462979
	Rate per unit (Rs.)	NIL	13.00
iii)	Furnace Oil	NIL	NIL
iv)	Rice Husk		NIL
	Qty. (Kgs.)	4284120	NIL
	Amount (Rs.)	27329493	NIL
	Rate per unit (Rs.)	6.38	NIL
v)	Other/internal Solar Generation	35209828	34081031

B) Consumption per Unit of production			
i)	Electricity (Kwh/Kg. of Product)	3.08	2.89
ii)	Coal and Rice Husk	0.05	0.02
iii)	Furnace	NIL	NIL
iv)	Others/Internal Generation	NIL	NIL

2. **Technology Absorption**

Efforts made in Technology Absorption are furnished in **Form B** as under:

A. **Research and Development**

i) **Specific Areas in which Research & Development is carried out by the Company**

The Company's Research & Development (R&D) activities are focused on the continuous improvement of product quality, process efficiency, and the development of innovative value-added products. The objective is to enhance customer satisfaction, optimize the utilization of available resources, and strengthen the Company's competitive position in domestic and international markets.

Product development remains an ongoing process, with emphasis on the development of specialty and value-added yarns, including contamination-free yarn, organic cotton yarn, fibre-dyed products, Jaspe yarn in poly-cotton grey, 100% polyester fibre-dyed yarn, injection yarn, low-pill super soft yarn, polyester-acrylic and blended yarns, as well as multi-fibre polyester-acrylic-modal blended yarns with differentiated dye absorption characteristics for high-fashion garment applications.

ii) **Benefits Derived from Research & Development**

The Company's R&D initiatives have resulted in the following key benefits:

- Expansion of the product portfolio with the successful development of innovative and value-added products.
- Improvement in product quality, leading to higher customer satisfaction and stronger customer relationships.
- Reduction in manufacturing costs through process improvements, resulting in enhanced productivity and operational efficiency.
- Increased capability to meet the quality and volume requirements of domestic and international customers, thereby strengthening export potential.

iii) **Future Course of Action**

The Company will continue to focus on:

- Enhancing the productivity and efficiency of spinning machinery.
- Developing new and innovative value-added yarn products in line with evolving market requirements.
- Strengthening Research & Development capabilities through continued investment in technology, infrastructure, and product innovation.

iv) **Expenditure on Research & Development**

The expenditure incurred on Research & Development comprises both capital and revenue expenditure, which has been accounted for under the respective heads of Plant & Machinery and Consumable Stores in the Annual Accounts. Accordingly, separate quantification of R&D expenditure is not practicable.

B. **Technology Absorption, Adaptation and Innovation:**

i) **Efforts Made**:

a. Optimization of H-Plant Operations during the Winter Season: Operational parameters were optimized during the winter season to improve energy utilization, resulting in enhanced process efficiency and reduced energy consumption.

b. Installation of Energy-Efficient Spindles: Energy-efficient spindles were installed across manufacturing operations to reduce electricity consumption while improving operational performance and productivity.

c. Implementation of Zero Wastewater Policy: A zero wastewater policy was implemented through the recycling and reuse of treated wastewater within the manufacturing process, minimizing freshwater consumption and eliminating wastewater discharge. These initiatives demonstrate the Company's continued commitment to improving resource efficiency, reducing environmental impact, and promoting sustainable operations.

ii) Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import substitution etc.:

a. Improved quality and consistency of yarn, resulting in enhanced customer satisfaction and product reliability.

b. Successful development and introduction of new value-added products, strengthening the Company's product portfolio and market competitiveness.

c. Reduction in production costs through improved process efficiency, optimized resource utilization, and adoption of advanced manufacturing techniques.

d. Enhanced operational efficiency and productivity, leading to better utilization of plant and machinery.

e. Strengthened the Company's competitive position by delivering superior-quality products at optimized costs, thereby supporting sustainable business growth.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year:

NOT APPLICABLE

3. Foreign Exchange Earnings and Outgo:

The company continued its efforts to develop export markets throughout the year and has got adequate response from various customers worldwide. The company has earned foreign exchange of Rs. 129536.89 Lakhs by export of its products. The outgoes of foreign exchange is Rs. 87305.14 Lakhs, being the CIF value of imports of raw materials.

ANNEXURE -F

Particulars of Employees and Related Disclosures

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OFCOMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT ANDREMUNERATION OF MANAGERIALPERSONNEL) RULES, 2014

1. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26 are as under:**

Sr. No.	Names of the Directors/ KMP	Designation	Remuneration of the financial year 2025-26 (Rs. In Lacs)	Ratio of Directors/ KMP remuneration to Median remuneration	% increase in the Remuneration in the Financial year 2025-26
I	**Executive Directors**				
1	Mr. Munish Avasthi	Chairman-cum-Managing Director	222.00	136.88	NIL
2	Mr. Naresh Kumar Jain	Executive Director	5.52	NA	NA
3.	Mr. Chetan Rupal	Executive Director	7.97	NA	NA
II	**Non-Executive Directors**				
4.	Dr. Sandeep Kapur	Independent Director	0.55	0.33	-
5.	Mr. Prashant Kochhar	Independent Director	0.25	0.15	-
6.	Mrs. Harpreet Kaur Kang	Independent Director	0.40	0.25	-
7.	Mr. Puneet Singhania	Independent Director	0.45	NA	-
III	**Key Managerial Personnel**				
8.	Mr. Sandeep Sachdeva	Chief Financial Officer	43.19	26.63	9.53
9.	Mr. Lovlesh Verma	Company Secretary	12.23	7.54	13.24

Notes

- Managerial remuneration does not include value of non-cash perquisites.
- Due to Sudden demise, Mr. Naresh Kumar Jain ceased to be Director of the Company w.e.f 07th June 2025, remuneration of FY 2025-26 cannot be compared with previous FY.
- Mr. Chetan Rupal (DIN: 00253536) was appointed as Executive (Non-Independent) Director of the Company in board meeting held on 02nd August 2025, so remuneration of Mr. Chetan Rupal for FY 2025-26 cannot be compared with previous FY.
- Mr. Puneet Singhania (DIN: 01551462) was appointed as Independent Director of the Company in board meeting held on 02nd August 2025.
- Mr. Prashant Kochhar, Independent Director of the Company, retire upon completion of his tenure at conclusion of the Annual General Meeting held on 30th August 2025
- KMP Remuneration did not include Leave Travel Allowance and conveyance reimbursement.

2. There were 5979 permanent employees and worker (excluding Apprentice/Trainee) the rolls of Company as on March 31, 2026.
3. The median remuneration of employees of the Company during the financial year 2025-26 was Rs. 162180.

4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2025-26 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

Employee Group	% increase made in the Salaries
White Collar	9.90%
Blue Collar - Monthly Wagers - Daily Wagers	 8.33% 6.30%

5. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year:** Not Applicable.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

STATEMENT CONTAINING PARTICULARS OF EMPLOYEES AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Name of the Employee	Designation	Remuneration (Rs. In Lacs)	Nature of Employment	Qualification	Experience (Years)	Joining Date	Age	Previous Employment	% of Equity Shares held	Relationship with Director
Shiv Kumar Sharma	President	48.21	Permanent	B.Tech	39	22.08.2013	62	Birla Textiles Indonesia	Nil	No
Rashim Jindal	President (Marketing)	32.50	Permanent	MBA	34	09.09.2004	56	Vardhman Spinning and General Mills Limited	Nil	No
D.S. Yadav	Vice President (H.R.)	30.44	Permanent	MSW	37	02.07.1997	60	Pashupati Spinning and Weaving Mills Limited	Nil	No
Rajan Chopra	VP Commercial	29.86	Permanent	B.Com	31	15.03.2024	51	Infiiloon India Pvtt Ltd	Nil	No
Rajender Pal	AVP (HR & Admin)	27.65	Permanent	MBA (HR) , MSW	40	08.09.2017	61	Vardhman Polytex Limited	Nil	No
Jagjeet Kumar Marwaha	Sr. GM	27.01	Permanent	B.Tech	37	10.01.2010	60	Nahar Spinning Mills Limited	Nil	No
Abhay Rastogi	GM	25.86	Permanent	B.Tech	37	17.04.1998	60	Malwa Cotton Spinning Mills	Nil	No
Ashok Ahuja	Sr. GM	24.14	Permanent	B.Tech	39	19.08.2010	62	Orient Syntex Limited	Nil	No
Naresh Kumar Behl	GM	23.59	Permanent	Master of Education	41	04.11.2012	61	JCT Limited	Nil	No
Sunil Kumar Mishra	VP- Technical	23.34	Permanent	Diploma in Textile	37	01.09.2010	57	Oswal Cotton Spinning	Nil	No

Annexure G

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES:

I. Details of the Listed Entity:

1.	Corporate Identity Number	L17122PB1989PLC053162
2.	Name of the Listed Entity	Sportking India Limited
3.	Date of incorporation	15.02.1989
4.	Registered office address	Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120
5.	Corporate address	Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120
6.	E-mail	cs@sportking.co.in
7.	Telephone	0161-2845456
8.	Website	www.sportking.co.in
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd National Stock Exchange of India Limited
11.	Paid-up Capital (INR)	19,53,92,000
12.	Name and contact details (telephone, email address)of the person whom may be contacted in case of any queries on the BRSR report	Mr. Lovlesh Verma Company Secretary & Compliance Officer Phone: 0161-2845456 Email Address: cs@sportking.co.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made under this report are on standalone basis.
14.	Whether the company has undertaken assessment or assurance of BRSR Code	Not Applicable – No external assurance obtained for FY 2025-26
15.	Name of assurance provider/ Type of assurance obtained	Not Applicable since no assurance has been carried out for the reporting period.

II. Products/services:

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing of Cotton/ Polyester Cotton Blended Yarn / Synthetic Yarn	100%

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

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1.	Textiles	131	100%

III. Operations:

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

Location	Number of plants	Number of offices	Total
National	3	3 (Offices are at Plant Premises)	3
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations:

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	36

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

Exports contribute around 51% of the total turnover of the entity.

c. A brief on types of customers:

The Company manufactures a well-diversified range of grey and dyed textile yarns to meet the requirements of the weaving and knitting industries across domestic and international markets. With a strong presence in both Indian and global markets, the Company represents India's textile manufacturing capabilities on the world stage through its commitment to quality, innovation, and customer satisfaction.

The Company continuously focuses on delivering superior-quality products that align with evolving market trends and changing customer preferences. By emphasizing operational excellence, product innovation, and sustainable manufacturing practices, the Company strives to enhance stakeholder value while maintaining its competitive position in the textile industry.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. NO.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	EMPLOYEES					
1.	Permanent(D)	559	540	96.60%	19	3.40%
2.	Other than Permanent (E)	Nil				
3.	**Total employees (D+E)**	**559**	**540**	**96.60%**	**19**	**3.40%**
	WORKERS					
4.	Permanent(F)	5420	2782	51.33%	2638	48.67%
5.	Other than Permanent(G)	Nil				
6.	**Total workers (F+G)**	**5420**	**2782**	**51.33%**	**2638**	**48.67%**

b. Differently abled Employees and workers:

S. NO.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent(D)	1	1	100%	-	-
2.	Other than Permanent(E)	-	-	-	-	-
3.	**Total differently abled employees (D+E)**	**1**	**1**	**100%**	**-**	**-**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	11	10	90.90%	1	9.10%
5.	Other than permanent (G)	-	-	-	-	-
6.	**Total differently abled workers (F+G)**	**11**	**10**	**90.90%**	**1**	**9.10%**

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	6	2	33.33%
Key Management Personnel*	3	0	0.00%

**Key Managerial Personnel are as defined under section 203(1) of the Companies Act, 2013 (KMP).*

The above information pertains only to the Company as at 31st March, 2026.

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.29	20.51	10.65	11.57	9.75	11.50	14.88	10.00	14.70
Permanent Workers	78.33	75.70	77.05	85.79	82.31	84.13	70.53	59.64	65.59

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

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

S No.	Name of the holding/ subsidiary/ associate companies / joint ventures(A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity?(Yes/No)
	Nil	N.A.	Nil	N.A.

VI. CSR Details:

24.

(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
(ii)	Turnover(in Rs.)	249585.66 Lakhs
(iii)	Net worth (in Rs.)	111590.04 Lakhs

VII. Transparency and Disclosures Compliances:

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web –link for grievance redress policy)	2025-26			2024-25		
		Number of complaints filed during the year	Number of complaint pending resolution at close of the year	Remarks	Number of Complaints filed During The year	Number pending resolution at close of the year	Remarks
Communities	The Company actively engages with local communities through formal and informal mechanisms as part of its stakeholder engagement approach. Community concerns and grievances, if any, are received through designated channels at manufacturing locations and are addressed in a timely manner by the respective plant/site management teams with oversight from corporate management. Company remains committed to maintaining effective grievance redressal mechanisms, transparent communication, and positive community relationships through responsible business practices	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes. A dedicated email address of the Company, cs@sportking.co.in, is maintained as a direct line of communication for Investors. This platform serves as a conduit for investors to voice their grievances or pose queries, ensuring their concerns are promptly addressed and the same is prominently displayed on the Company's website, at https://sportking.co.in/investor-relations/	Nil	Nil	Nil	Nil	Nil	Nil

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web –link for grievance redress policy)	2025-26			2024-25		
		Number of complaints filed during the year	Number of complaint pending resolution at close of the year	Remarks	Number of Complaints filed During The year	Number pending resolution at close of the year	Remarks
Shareholders	Investor grievances are promptly addressed by the Company's Registrar and Transfer Agent (RTA). In addition, the Company effectively resolves any grievances received directly through its experienced and competent personnel in the Secretarial Department. Further, SEBI has provided the SCORES platform and the Smart ODR Portal to enable investors to register their grievances directly. Such grievances are regularly monitored and addressed by the Company in a timely manner. The Stakeholders' Relationship Committee also periodically reviews and monitors all investor grievance matters to ensure effective resolution. Investors may lodge their grievances through the Company's RTA, the Secretarial Department, the SEBI SCORES platform, or the Smart ODR Portal, as applicable. The Investors can contact/ lodge their grievance in the following e-mailid's: beetalrta@gmail.com cs@sportking.co.in	6	Nil	Fully Resolved	5	Nil	Fully Resolved
Employees and workers	The Company provides multiple accessible channels and well-established mechanisms for employees and workers to raise concerns, provide feedback, and submit grievances relating to workplace practices, employee welfare, health and safety, and other employment-related matters. All grievances are reviewed and resolved in a timely, fair, and transparent manner through designated internal processes. Employees may also directly communicate with their respective HR Managers, ensuring a responsive and supportive human resources framework. The Company has implemented a robust Whistle Blower Policy (Vigil Mechanism) that enables employees and other stakeholders to report genuine concerns, unethical conduct, fraud, or violations of the Company's Code of Conduct without fear of retaliation. The policy ensures confidentiality, protection against victimization, and an impartial investigation of all reported concerns. The Company's Whistle Blower Policy is available on its website at https://sportking.co.in/wp-content/uploads/2024/11/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY.pdf	Nil	Nil	Nil	Nil	Nil	Nil

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web –link for grievance redress policy)	2025-26			2024-25		
		Number of complaints filed during the year	Number of complaint pending resolution at close of the year	Remarks	Number of Complaints filed During The year	Number pending resolution at close of the year	Remarks
Customers	The Company addresses customer queries, feedback, and grievances through multiple accessible communication channels, including emails, customer support interactions, meetings, phone calls, and site visits. All customer concerns are systematically reviewed and resolved in a timely and appropriate manner through designated teams and established processes. The Company remains committed to maintaining high standards of customer satisfaction, product quality, service excellence, and responsible business conduct. Continuous engagement with customers also helps the Company strengthen relationships, enhance operational responsiveness, and support continuous improvement across its products and services. For our customers we have a 'Contact us' form on the company website, which we use to receive feedback or requests for responses. Customers can reach out with the queries or complaints related to our products or services through email on rashimjindal@sportking.co.in or quick contact placed on Company's website: https://sportking.co.in/contact-us/	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	The Company remains committed to maintaining ethical business practices, responsible supply chain management, transparency, and collaborative engagement with its value chain partners. The Company provides various reporting channels for reporting actual or suspected fraud, as well as violations of the Company's Code of Conduct or Ethics Policy. The Whistle Blower Policy is available on the Company's website at https://sportking.co.in/wp-content/uploads/2024/11/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY.pdf	Nil	Nil	Nil	Nil	Nil	Nil
Other (please specify)	NA	Nil	Nil	Nil	Nil	Nil	Nil

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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications Of the risk or opportunity (Indicate positive or negative implications)
1.	Raw Material Procurement	Risk and Opportunity	**Opportunity:** Increasing the sourcing of Organic Cotton, BCI, and CMIA cotton enables the Company to reduce its environmental footprint by promoting sustainable agricultural practices, improving water efficiency, reducing the use of hazardous chemicals, and supporting biodiversity conservation. Sustainable cotton sourcing also enhances supply chain resilience, strengthens stakeholder confidence, aligns with customer expectations for responsible products, and contributes to the Company's long-term sustainability and ESG commitments. **Risk:** The availability and procurement of sustainable cotton may be impacted by climate change, erratic rainfall, and other weather-related events that affect crop yield and quality. In addition, fluctuations in cotton prices due to changing market demand, supply constraints, and speculative trading can increase raw material costs. Limited availability of certified sustainable cotton and evolving regulatory and certification requirements may also pose challenges to sourcing and operational planning.	The Company has a dedicated procurement and sustainability team that continuously monitors cotton prices, market trends, and crop conditions across key cotton-growing regions. Regular engagement with suppliers and certified cotton partners helps ensure timely sourcing and supply continuity. The Company diversifies its sourcing base, plans procurement in advance, and tracks weather patterns and market developments to reduce the impact of supply disruptions. In case of cotton imports, the Company follows appropriate hedging practices to manage foreign exchange and price fluctuation risks, ensuring better cost control and supply stability.	**Positive Financial Implications:** Sustainable cotton sourcing through Organic Cotton, BCI, and CmiA can enhance brand value, improve customer preference, and create opportunities for business growth. It may also support long-term cost efficiency through better supply chain management, improved resource utilization, and reduced exposure to environmental and regulatory risks. Strong sustainability practices can further improve stakeholder confidence and support access to responsible markets. **Negative Financial Implications**: The procurement of certified sustainable cotton may involve higher raw material costs due to limited availability, certification requirements, and supply chain investments. Fluctuations in cotton prices, changes in global market conditions, rainfall variability, and foreign exchange movements in case of imports may impact procurement costs and profit margins.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications Of the risk or opportunity (Indicate positive or negative implications)
2.	Energy Conservation	Opportunity	The Company is committed to improving energy efficiency and optimizing resource utilization across its operations through the adoption of energy-efficient technologies, process improvements, and the increased use of renewable energy. These initiatives support the Company's efforts to reduce energy consumption, lower greenhouse gas emissions, and enhance operational efficiency in line with its sustainability objectives. During the reporting year, the Company implemented the following energy conservation initiatives: 1. The 27.62 MW Solar Power Plant continued to generate renewable energy consistently, contributing significantly to the Company's clean energy portfolio and reducing dependence on conventional power sources. 2. Energy-efficient spindles were installed to reduce power consumption and improve operational efficiency. 3. H-Plant operations were optimized during the winter season, resulting in enhanced energy utilization and improved process efficiency. 4. High-efficiency compressor-based air conditioning systems were installed to reduce electricity consumption while maintaining optimal operating conditions. 5. Conventional water pumps were replaced with energy-efficient pumps to achieve lower energy consumption and improved system performance. 6. LED lighting was installed across various facilities to reduce electricity usage and enhance overall energy efficiency. 7. The Company initiated the capital expenditure (CAPEX) for a 40.3 MW captive solar power project during FY 2025–26 through a Special Purpose Vehicle under a 25-year Solar Power Purchase Agreement. The project was successfully commissioned during FY 2026–27. It is expected to reduce annual power costs by approximately 12–13%, increase the share of renewable energy in the overall energy mix, lower greenhouse gas emissions and carbon footprint, enhance energy security, and create long-term sustainable value through improved operational efficiency and cost optimization.	NA	Positive : The energy saving measures result in consumption of economized power and fuel that would reduce the cost of production. It also enables Mitigates Global Warming. and Reduced Carbon Emission.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications Of the risk or opportunity (Indicate positive or negative implications)
3.	Quality of Products and Project delivery	Opportunity	By consistently delivering high-quality products and services within committed timelines, the Company can strengthen its reputation for reliability, customer satisfaction, and operational excellence. This creates opportunities to enhance customer loyalty, generate positive market recognition, increase repeat business, and build a competitive advantage. In the long term, these efforts can contribute to sustainable revenue growth, improved market position, and stronger stakeholder relationships. growth and profitability for the company.	NA	**Positive** Consistent delivery of high-quality products and services within committed timelines enhances customer satisfaction, strengthens brand reputation, and builds customer loyalty. This can lead to increased repeat business, positive market recognition, improved customer relationships, and a stronger competitive position. These factors support sustainable revenue growth, business expansion, and long-term value creation for stakeholders.
4.	Water Management	Opportunity	Effective water management provides an opportunity to improve resource efficiency, reduce water consumption, optimize production processes, and lower operational costs. Adoption of water conservation measures, recycling and reuse practices, and sustainable technologies can reduce environmental impact and strengthen the Company's sustainability performance.	NA	**Positive** Effective water management practices, including the implementation of STP, ETP, and rainwater harvesting systems, help the Company reduce freshwater consumption, improve water reuse, ensure regulatory compliance, and minimize operational risks. These initiatives support cost savings, enhance sustainability performance, and strengthen stakeholder confidence
5.	Employee Well-Being	Opportunity	Employee well- being and workplace safety are identified as material priorities because employee health, safety, engagement, and development directly influence productivity, retention, and operational efficiency	NA	**Positive:** Strong employee well-being and safety initiatives can reduce absenteeism, workplace incidents, healthcare costs, and employee turnover while improving morale and productivity.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications Of the risk or opportunity (Indicate positive or negative implications)
6.	Diversity and Equal Opportunity	Opportunity	Our Code of Ethic Policy provide framework for Equal opportunity and it is essential to promote a progressive and inclusive workplace that on- boards people irrespective of their gender from diverse backgrounds and provides them meaningful growth opportunities, thereby resulting in organizational growth	NA	**Positive:** Diverse and inclusive workplaces improve employee engagement, innovation, productivity, and employer reputation, contributing to long-term Organizational performance.
7.	Community relations & engagement	Opportunity	We maintain amicable relations with the communities near our Plants. We ensure that our operations do not in any way cause harm to them or to the local biodiversity. We are undertaking efforts to improve their socio-economic standards including creating livelihood opportunities, targeting health and wellbeing and Encouraging education. Support is also provided during any kind of Emergencies.	NA	**Positive:** This helps to keep the relations with community healthy and business work is conducted smoothly without any hindrances which increases the business Volumes.
8.	Ethics & Governance	Opportunity	Our stakeholders trust us and associate with us because of our reputation of integrity and ethical Practices. We engage with all our supply chain partners on such policies including those relating to anti-bribery & anti-corruption and Sexual harassment. We are constantly benchmarking ourselves best practices of industry and frameworks to strengthen our governance practices	NA	**Positive:** Good ethical and governance practices always enhance the brand value of the company
9.	Resource Efficiency	Risk	Inefficient utilization of raw materials, energy resources and water may increase operational costs and environmental impact	The Company regularly monitors the consumption of raw materials, energy, and water and takes measures to improve resource efficiency. Process improvements, waste reduction initiatives, preventive maintenance, and adoption of sustainable practices help minimize resource wastage, control costs, and reduce environmental impact.	**Negative:** Resource inefficiencies may increase production costs and waste management expenses

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES:

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available									
Principle 1: Ethics, transparency	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf Code of Conduct- https://sportking.co.in/wp-content/uploads/2022/07/Code-of-Conduct-Policy.pdf Related Party Transaction Policy- https://sportking.co.in/wp-content/uploads/2026/02/Related-Party-Transaction-Policy.pdf Vigil Mechanism Policy- https://sportking.co.in/wp-content/uploads/2024/11/vigil-mechanism-whistle-blower-policy.pdf								
Principle 2: Product and service responsibility	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf								
Principle 3: Human resources	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf Code of Conduct- https://sportking.co.in/wp-content/uploads/2022/07/Code-of-Conduct-Policy.pdf								
Principle 4: Responsive to stakeholders, particularly the marginalized	CSR Policy- https://sportking.co.in/wp-content/uploads/2025/08/CSR-POLICY.pdf Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf Code of Conduct- https://sportking.co.in/wp-content/uploads/2022/07/Code-of-Conduct-Policy.pdf								
Principle 5: Respect for human rights	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf								
Principle 6: Environmental responsibility	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf								
Principle 7: Public policy advocacy	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf								
Principle 8: Inclusive growth	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf CSR Policy- https://sportking.co.in/wp-content/uploads/2025/08/CSR-POLICY.pdf								
Principle 9: Customer engagement	Code of Business Ethics- https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf								
2. Whether the entity has translated the policy into procedures.(Yes /No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g.SA8000,OHSAS,ISO,BIS) adopted by your entity and mapped to each principle.	• Recycled Claim Standard 2.0 (RCS2.0) • Fairtrade Certificate • Global Recycled Standard (4.0) • Global Organic Textile Standard 7.0 (GOTS 7.0) • Organic Content Standard 3.0 (OCS3.0) • Oeko-Tex Standard 100 • Oeko-Tex Annex 6 • ISO 9000:2015 • CMIA Certificate • Higg Index Certificate
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Though not set any such specific commitment goals, we continue to adhere all the guiding principles
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	

Governance, leadership and oversight

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

Sustainability and responsible business practices remain integral to the Company's long-term growth strategy. As a textile yarn manufacturer, we recognize our responsibility towards environmental protection, employee well-being, efficient resource utilization, and creating value for all stakeholders. The Company is committed to responsible business practices by focusing on environmental protection, employee health and safety, and efficient management of natural resources. We continuously work towards improving energy efficiency, conserving water, reducing waste, and minimizing the environmental impact of our operations. The Company has implemented various initiatives to promote a safe and healthy workplace and sustainable growth. Going forward, we remain committed to continuous improvement, responsible operations, and creating long-term value for all stakeholders.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Name: Mr. Munish Avasthi Designation: Chairman and Managing Director DIN: 00442425
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The Managing Director of the Company is responsible for decision making on sustainability relates issues. Additionally, the Company has a Board-level committee of The Risk Management Committee and the Corporate Social Responsibility Committee constituted by the Board of Directors of the Company evaluate the sustainability related issues from time to time.

10. Details of Review of NGRBCs by the Company:

Subject for Review	**Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee**									**Frequency(Annually/Half yearly/ Quarterly/ Any other – please specify)**								
	P 1	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Performance against above policies and follow up action	All the policies are reviewed periodically or on a need basis by department heads, business heads, senior management personnel/ respective committees and placed before the Board of Directors as and when required. In the assessment, the efficacy of these policies is also reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Board of Directors/ committee of the Board reviews the Statutory Compliances on applicable laws.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).If yes, provide name of the agency.	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	No								

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

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

SECTIONC: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

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

Essential Indicators

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

Segment	Total Number of Training and awareness programmes hold	Topics/Principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	1	During the year, the Directors were updated on key business, regulatory, and sustainability-related matters to enhance their understanding of evolving industry trends and business practices. The discussions covered emerging market dynamics, corporate governance requirements, applicable MCA and SEBI guidelines, taxation matters, risk management, compliance obligations, legal developments, and other relevant business matters. These updates supported informed decision-making and enabled the Board to effectively address business challenges and opportunities aligned with the Company's long-term objectives.	100%
Key Managerial Personnel	1	During the year, the Key Managerial Personnel invested time in understanding updates relating to business matters, regulatory developments, economic trends, and environmental, social, and governance parameters. The awareness covered key issues impacting the Company's operations and supported better understanding of emerging challenges, compliance requirements, and sustainable business practices	100%

Segment	Total Number of Training and awareness programmes hold	Topics/Principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Employees other than BOD and KMPs	416	Key employee training and awareness programmes conducted during FY2025–26 included: • Prevention of Sexual Harassment (POSH) training to ensure a safe, respectful, and inclusive workplace environment. • Information and Cyber Security Awareness programmes to strengthen understanding of data protection, cybersecurity practices, and safe digital behaviour. • Code of Conduct training to reinforce ethical business practices, integrity, and professional responsibilities. • Workplace Health and Safety training programmes to promote safe work practices, hazard awareness, emergency preparedness, and employee well-being. • Fire safety, emergency response, and occupational safety awareness sessions to strengthen workplace safety measures. • Personal financial awareness and investment advisory programmes to support employees in making informed financial decisions. • Savings and financial planning awareness sessions to encourage effective money management and long-term financial well-being. • Quality awareness and process improvement training to enhance operational efficiency and adherence to standards. • Other role-based, technical, and compliance-related training programmes to support continuous learning and employee development	98.67%
Workers	422	During the year, the Company conducted various training and awareness sessions for workers covering the following key areas: • Industrial safety training and workplace safety practices. • Fire safety training, firefighting practices, and emergency mock drills. • First Aid and CPR training. • Safety practices and proper use of Personal Protective Equipment (PPE). • Health, hygiene, and workplace wellness awareness. • Prevention of Sexual Harassment (POSH) awareness and other mandatory compliance requirements. • Waste management and environmental awareness. • Water and energy conservation practices. • Quality improvement, in-process quality control, and waste reduction practices. • Housekeeping and workplace discipline awareness.	97.65%

Note: The Company has three units located at different sites. The numbers mentioned above include training and awareness programs conducted across all units

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

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Brief of the Case**	**Brief of the Case**	**Has an appeal been preferred?(Yes/No)**
Penalty/Fine	Nil				
Settlement	Nil				
Compounding fee					

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Brief of the Case**	**Has an appeal been preferred?(Yes/No)**
Imprisonment	Nil			
Punishment				

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

   Not Applicable

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

   Yes, the Company does have the Anti-Bribery & Anti- Corruption policy built into General Code of Conduct policy of the company. The Company has also adopted a Whistle-blower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees ho avail of the mechanism. No personnel of the Company have been denied access to the Chairperson of the Audit Committee.

   The Whistle Blower Policy available at the Company's website at https://sportking.co.in/wp-content/uploads/2024/11/vigil-mechanism-whistle-blower-policy.pdF.

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

   No such action taken during the FY 2025-26 and 2024-25.

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

	FY 2025-26		FY 2024-25	
	Number	**Remarks**	**Number**	**Remarks**
No. of complaints received in relation to issues of Conflict of Interest of the **Directors**	NIL	NA	NIL	NA
No. of complaints received in relation to issues of Conflict of Interest of the **KMPs**	NIL	NA	NIL	NA

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

   Not Applicable

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

Particular	FY 2025-26	FY 2024-25
Number of days of accounts payables	9	10

9. **Open-ness of business**

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. b. Number of trading houses where purchases are made from	NIL	NIL
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NIL	NIL
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	35.32	33.13
	b. Number of dealers / distributors to whom sales are made	70	50
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	62.36	79.02
Share of RPTs in	a. Purchases (Purchases with related parties /Total Purchases) (%)	0.15	0.32
	b. Sales (Sales to related parties / Total Sales) (%)	0.41	0.44
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances) (%)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made) (%)	NIL	NIL

Leadership Indicators

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

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

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

The Company has implemented comprehensive mechanisms to identify, prevent, and appropriately manage any conflicts of interest involving Board members. These include:

a) Declaration of Interest: Board members are required to disclose, at the time of appointment and on a periodic basis thereafter, any financial interests, associations, or relationships that may influence their judgment, in accordance with applicable statutory obligations.

b) Code of Conduct: Our Company's Code of Business Ethics provides comprehensive guidelines for our directors, ensuring compliance with legal standards and regulations. This includes strict prohibitions against bribery and corruption, as well as directives for managing conflicts of interest ethically. The policy is publicly accessible, and we strongly encourage all employees and Board members to adhere to its principles. It serves as a detailed framework for conducting business with the highest integrity.

c) Related Party Policy: The Company follows a Related Party Policy, overseen by the Audit Committee and Board, in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act, 2013, to regulate transactions involving related parties. Transactions or matters involving interested Directors are placed before the Audit Committee and/or Board for appropriate review and approval in accordance with applicable laws and the Company's Policy on Related Party Transactions. In such cases, the concerned Director abstains from participating in discussions and decision-making processes to ensure impartiality and transparency.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe:

Essential Indicators

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

Category	FY 2026 (Rs in Crs)	FY 2025 (Rs in Crs)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex/Investment	14.10	Nil	The Company initiated the capital expenditure (CAPEX) for a 40.3 MW captive solar power project during FY 2025–26 through a Special Purpose Vehicle under a 25-year Solar Power Purchase Agreement. The project was successfully commissioned during FY 2026–27. It is expected to reduce annual power costs by approximately 12–13%, increase the share of renewable energy in the overall energy mix, lower greenhouse gas emissions and carbon footprint, enhance energy security, and create long-term sustainable value through improved operational efficiency and cost optimization

2. a. **Does the entity have procedures in place for sustainable sourcing?**

   Yes

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

   The Company has a policy to encourage a purchase of Organic Cotton, BCI (Better Cotton Initiative) certified cotton, and recycled Polyester Fibre. We also use recycled cotton fibre in our manufacturing. For this FY we procure sustainable/organic cotton about 25% from certified vendors who are compliant with social and environmental standards.

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

   The Company's manufacturing sites are governed by the Consents to Operate and authorization under the applicable processes laid down by the regulatory authorities. Under these rules / regulations, the Company declares all its waste, including plastic packaging. All the wastes generated are handed over to authorized waste disposal service providers. This ensures that the waste is properly disposed of. Following process used by the company for disposal:

   a. Plastics (including packaging): We collaborate with certified recyclers approved by the State Pollution Control Board (SPCB) and the Central Pollution Control Board (CPCB).

   b. E-waste: For the disposal of E-waste, we partner with and authorized CPCB / SPCB vendors.

   c. Hazardous waste: The hazardous waste generated from our operations is disposed through authorized CPCB/SPCB vendor per the compliance.

   d. Other waste: For waste materials that do not fall into the above categories, we evaluate the possibility of recycling or reusing them within our production processes before sending it for disposal.

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

   Yes, Extended Producer Responsibility (EPR) norms are applicable to our entity's activities, and we adhere to these regulations as mandated by the Central pollution control boards.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?**

   No Life Cycle Assessment has been carried out for any product of the Company.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable

3. **Percentage of recycle d or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not Applicable

4. **Of the products and packaging reclaimed at end of life of products, amount(in metric tonnes) reused, recycled, and safely disposed of:**

   Not Applicable

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

   Not Applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains:

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	540	540	100%	540	100%	NA	NA	NA	NA	0	0
Female	19	19	100%	19	100%	19	100%	NA	NA	19	100
Total	**559**	**559**	**100%**	**559**	**100%**	**19**	**3.39%**	**NA**	**NA**	**19**	**3.39%**
Other than Permanent Employees											
Male	Nil										
Female											
Total											

   b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/A)
Permanent Workers											
Male	2782	2782	100%	2782	100%	0	0.00	0	0	**0**	**0**
Female	2638	2638	100%	2638	100%	2638	100%	0	0	**2638**	**100%**
Total	**5420**	**5420**	**100%**	**5420**	**100%**	**2638**	**48.68%**	**0**	**0%**	**2638**	**48.68%**
Other than Permanent Workers											
Male	Nil										
Female											
Total											

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2025-26	FY 2024-25
Cost incurred on well- being measures as a % of total revenue of the company	0.19	0.20

2. **Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	33.97%	97.22%	Y	39.99%	97.40%	Y

***All eligible employees are covered under ESI**

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps is being taken by the entity in this regard:**

Yes. Company continues to make efforts to ensure that its premises and offices are accessible to differently abled employees and workers, in line with the requirements of the Rights of Persons with Disabilities Act, 2016. The Company remains committed to fostering an inclusive workplace environment by providing facilities and infrastructure aimed at minimizing barriers and enabling equitable access for individuals with diverse abilities across its operations.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:**

The Company's hiring practices are guided by merit and capability, and it does not engage in any form of discrimination on the basis of disability, gender, religion, or other protected characteristics.. The Company's Human Resources policies actively promote a diverse and supportive work environment, and this commitment is reflected in its Code of Conduct and people practices. The Code of Business Ethics Policy adheres to all applicable regulations, taking into account the qualifications and merit of each individual. This policy serves as a guiding principle to promote fairness and diversity within the organization.

The Policy on Code of Business Ethics is available at the Company's website at https://sportking.co.in/wp-content/uploads/2024/06/Code-of-Business-Ethics.pdf.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	The Company has established a transparent and impartial grievance redressal mechanism to address employee and worker concerns in a timely, fair, and effective manner while ensuring compliance with applicable laws and internal policies. Employees and workers may report their grievances through defined channels, including their respective Heads of Departments, immediate superiors, or the Human Resources department. All grievances are assessed, investigated, and resolved through a structured process, with matters requiring further attention being appropriately escalated for review and necessary action. The Whistle Blower mechanism is available to all employees and workers to report serious concerns, unethical practices, or violations in a confidential manner and without fear of retaliation. All complaints are handled with strict confidentiality, and suitable corrective actions are implemented based on the nature and severity of the issues. The Company remains committed to maintaining transparency, protecting the identity of complainants where required, and continuously strengthening its grievance management framework in line with applicable requirements and best practices.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / Workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers inrespective category (A)	No. of employees / Workers in respective category, who are part of association(s) or Union (B)	% (B / A)
Total Permanent Employees						
Male	-	-	-	-	-	-
female	-	-	-	-	-	-
Total Permanent Workers						
Male	-	-	-	-	-	-
female	-	-	-	-	-	-

8. **Details of training given to employees and workers:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill up gradation		Total (D)	On Health and safety measures		On Skill up gradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E/ D)	No. (F)	% (F/ D)
Employees										
Male	540	-	-	540	100%	529	-	-	529	100%
Female	19	-	-	19	100%	20	-	-	20	100%
Total	**559**	**-**	**-**	**559**	100%	549	**-**	**-**	549	100%
Workers										
Male	2782	2782	100%	2782	100%	3182	3182	100%	3182	100%
Female	2638	2638	100%	2638	100%	3021	3021	100%	3021	100%
Total	**5420**	**5420**	**100%**	**5420**	**100%**	**6203**	**6203**	**100%**	**6203**	**100%**

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (B)	% (B / A)
Employees						
Male	540	540	100%	529	529	100%
Female	19	19	100%	20	20	100%
Total	**549**	**549**	**100%**	**549**	**549**	**100%**
Workers						
Male	2782	2782	100%	3182	3182	100%
Female	2638	2638	100%	3021	3021	100%
Total	**5420**	**5420**	**100%**	**6203**	**6203**	**100%**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, the Company has implemented an Occupational Health and Safety (OHS) management system across its manufacturing facilities to ensure a safe and healthy workplace for all employees and workers. The safety framework focuses on regular workplace safety training, awareness programmes, and on-the-job guidance provided by supervisors to enhance employees' understanding of safe work practices. The OHS system includes hazard identification and risk assessment, implementation of safe operating procedures, use of appropriate personal protective equipment, emergency preparedness measures, and periodic safety inspections. Regular safety audits, incident reviews, and corrective actions are undertaken to continuously improve workplace safety standards. The Company remains committed to promoting a strong safety culture and ensuring the well-being of all employees through continuous improvement in its occupational health and safety practices.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

We are dedicated to maintaining safe and healthy operations globally, with a strong focus on protecting the lives and well-being of our employees and the communities surrounding our facilities. This commitment extends to safeguarding our assets, ensuring business continuity, and fostering public trust.

To uphold these standards, the Company conducts regular health, safety, and environmental (HSE) inspections, tests, and monitoring activities across all devices, equipment, process systems, and facility infrastructure. These activities are carried out in accordance with established procedures and specified frequencies. All results are carefully evaluated to identify potential risks, and where necessary, appropriate remedial actions and implementation schedules are developed.

For non-routine operations, the Company ensures that comprehensive HSE risk assessments, studies, classifications, and clearances are performed by qualified and trained professionals prior to commissioning. We also ensure that suitable engineering and administrative controls are integrated into the design and construction of all facilities and operating systems. These measures are implemented to comply with legal requirements and to protect employees, nearby communities, and the environment from physical, health, and environmental hazards.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.**

Yes, the Company has established efficient protocols that enable the employees or workers to promptly identify and report any potential hazards in their work environment, aiming to ensure the prevention and elimination of any such risks. The Company's internal team consistently conducts thorough checks or inspections and assessment in collaboration with workers, addressing their concerns regarding workplace safety and promptly reporting any identified hazards

d. **Do the employees/worker of the entity have access to non-occupational medical and healthcare services?**

Yes, company believes in establishing an environment in which employees' needs, in addition to their salary, are met. Employees and workers have access to medical benefits through Company provided insurance policies, funded medical support and where applicable, statutory benefits under ESIC.

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Company is deeply committed to maintaining a safe, healthy, and hazard-free work environment across all its operations. The Company has established a multi-layered safety framework encompassing hazard identification and risk assessment (HIRA), mandatory induction training for new employees, and ongoing safety awareness programs for the workforce. Company has also provided breakout areas and relaxation spaces for employees to take short breaks and recharge. This commitment to safety, employee well-being, and thoughtful workplace design shows our concern for the health and overall development of its workforce.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:

During the reporting period, a fire incident occurred at one of the Company's manufacturing facilities in the godown area used for storage of raw cotton bales, which are essential raw materials for the manufacturing process. The fire was promptly brought under control with the support of the local Fire Department authorities and the Company's internal firefighting team using the available firefighting systems. No casualty, human loss, or injury was reported due to the incident. The affected stock and godown assets were adequately insured, and the incident was intimated to the insurance company for further assessment and necessary action. The Company continues to strengthen its safety measures and preventive controls to minimize risks and ensure a safe working environment across its operations.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of**

   (A) Employees- Yes

   (B) Workers - Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:**

   The Company timely discuss with the value chain partners with regard to timely deduction and deposit of statutory dues with the Authority as per applicable laws, rules and regulations. In case of any difficulty by the value chain partner, they can approach the Company for help.

3. **Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

   The Company offers transitional assistance programs to support retired employees. Where appropriate, and subject to business needs, the Company may engage retired employees as short-term consultants. Such engagements are contingent upon mutual agreement and are governed by separate consulting agreements, which define the scope of work, duration, compensation, and other relevant terms. Participation in these programs is voluntary and based on the availability of suitable opportunities and the individual's expertise

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   We recognize as key stakeholders all individuals, groups, institutions, or entities that significantly influence or contribute to our business operations, add value, or form an integral part of our value chain. Our stakeholders encompass both internal and external parties, with relationships that may be direct or indirect. Key stakeholders include employees, investors, suppliers, business partners, customers, government authorities, management, financial institutions, and the broader community.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Avertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please Specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees/ Workers	No	E-mails, meetings, noticeboards, performance appraisal discussions, and employee engagement surveys	Continuous	To understand employee concerns, workplace challenges, and feedback on day-to-day operations. Engagement also focuses on gathering suggestions for enhancing organizational practices, improving employee experience, and strengthening overall productivity and moral
Vendors		Email, phone, meetings	Regular	Business related discussions and, engagement
Customers		Email, phone, meeting, exhibition, marketing collaterals.	Regular	Product, supply, quality, feedback, payments
Govt Regulators		Advocacy meetings with local, state, and national authorities, participation in seminars and conferences, media interactions, and engagement through industry bodies	Ongoing	Compliance with regulations for smooth functioning of business operations, Licensing, permission, and Progressive policy Development.
Shareholder & Investors		Shareholder meetings, public and media announcements Annual Report, stock exchange filings, website and disclosures A dedicated investor relations department	Quarterly & annually	Investors engage with the management of the Company through earnings calls every quarter wherein they are riefed on the performance and business strategy. Dedicated email IDs facilitates engagement of the shareholders with the Investor Relations department. Shareholders communicate directly with the Board of Directors and the Management at the Annual General Meetings.
Bankers & Financial Ins.		Email, Consortium Meetings, One to one Meetings, Letters and routine reporting's.	On-going	To avail loans and finance from them and to sanction any other facility.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company maintains a structured stakeholder engagement framework to identify, understand and address the economic, environmental and social concerns of its key stakeholders, including investors, customers, suppliers, employees, communities and regulatory authorities. Stakeholder feedback is gathered through various channels such as customer interactions, employee engagement mechanisms, supplier discussions, investor communications, community consultations and grievance redressal processes. Inputs received from these engagements are reviewed by the respective functional heads and senior management teams responsible for stakeholder relationships.

   In addition, the Company engages with communities surrounding its manufacturing facilities to understand local needs and priorities. Community assessments and stakeholder consultations are conducted to support the planning and implementation of CSR and community development initiatives. Progress, outcomes and stakeholder feedback relating to these programmes are reported to the Board annually, enabling the Board to provide guidance and oversight on the Company's sustainability and social impact efforts.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company conducts surveys and assessments involving its key stakeholders, including employees, suppliers, investors, and the broader society, to identify material concerns. Regular engagement with these stakeholders enables the Company to promptly recognise their expectations and address them in a responsible manner.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company's CSR activities focus on the disadvantaged, segments of the society. All CSR programs are aligned to the CSR Policy of the Company. Critical focus areas of Company's CSR mandate include education, environmental sustainability, women empowerment, addressing poverty and health. More details of CSR are provided in Annexure B to the Board's Report.

PRINCIPLE 5: Businesses should respect and promote human rights.

Respect for Human Rights is fundamental to the way we manage our business. This includes respecting and promoting the human rights of our employees, our external business partners, and the communities in which we live, serve, and operate

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policies of the entity, in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of Employees, workers covered (B)	% (B/ A)	Total (C)	No. of Employees, workers covered (D)	% (D/C)
Employees						
Permanent	559	559	100%	549	549	100%
Other than Permanent	Nil					
Total Employees	**559**	**559**	**100%**	**549**	**549**	**100%**
Workers						
Permanent	5420	5420	100%	6203	6203	100%
Other than permanent	Nil					
Total Workers	**5420**	**5420**	**100%**	**6203**	**6203**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E/ D)	No. (F)	% (F/ D)
Employees										
Permanent	559	46	8.23%	513	91.77%	549	23	4.18%	526	95.82%
Male	540	45	8.33%	495	91.67%	529	21	3.97%	508	96.03%
Female	19	1	5.26%	18	94.74%	20	2	10.00%	18	90.00%
Other than Permanent	Nil									
Male										
Female										
Workers										
Permanent	5420	2959	73.04%	1461	26.96%	6203	4637	77.77 %	1566	25.23%
Male	2782	1536	55.21%	1246	44.79%	3182	1845	57.97%	1337	42.01%
Female	2638	2423	91.85%	215	8.15%	3021	2792	92.42%	229	7.58%
Other than Permanent	Nil									
Male										
Female										

3. **Details of remuneration/salary/wages,**

- **Median remuneration / wages:**

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors(BOD)- Independent Director	2	50000	1	40000
Key Managerial Personnel*	4	2771687	0	NA
Employees other than BOD and KMP	536	366600	19	273828
Workers	2782	162180	2638	162180

*KMP Remuneration includes Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary.

- **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	31.99%	33.47%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, company remains firmly dedicated to safeguarding human rights across all aspects of its business operations. To uphold this principle, the company has implemented a comprehensive governance structure. This includes the formation of a designated Internal Complaints Committee (ICC) in compliance with the Prevention of Sexual Harassment (POSH) Act, alongside the proactive involvement of the Human Resources team. Together, the ICC and HR department collaborate closely to identify, address, and resolve any human rights concerns or impacts linked to the company's activities or operations.

The Company has adopted the Vigil Mechanism/whistle blower and Code of Business Ethics policy which enables escalation of Human rights impacts or issues caused by the business

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

We maintain clear and confidential channels through which employees, suppliers, contractors, and community members can report any grievances related to human rights violations. Every concern is handled with urgency, transparency, and fairness, ensuring timely investigations and appropriate corrective measures. Each facility is supported by a designated HR representative responsible for addressing such matters, while our company-wide Whistle Blower Policy empowers individuals to report ethical breaches or misconduct without fear of retaliation. Additionally, we conduct ongoing human rights awareness through dedicated training modules, helping embed respect, dignity, and accountability into our workplace culture.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2025-26			FY 2024-25		
	Filed during the Year	Pending Resolution at the end of the Year	Remarks	Filed during the Year	Pending Resolution at the end of the Year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format :**

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

The Company is firmly committed to preventing discrimination, retaliation, or harassment against any employee who raises concerns under the Whistle Blower Policy or participates in related investigations. Policies such as the Whistle Blower Policy, Code of Conduct, Policy on Prevention of Sexual Harassment at Workplace, are designed to protect the complainant's identity and ensure confidentiality at every stage of the investigation. The Company upholds its dedication to inclusivity by fostering equal opportunities and strictly opposing all forms of workplace harassment or discrimination. A robust framework guarantees impartial investigations and safeguards the privacy of all parties involved. These efforts are further strengthened by regular awareness programmes focused on harassment prevention. Employees are encouraged to report unethical practices or non-compliance without fear as the Whistle Blower Policy ensures confidentiality and protection against retaliation, while the Code of Conduct promotes a culture of integrity and accountability.

As part of our commitment to maintaining an ethical work environment, all new employees receive a session on the Company's Code of Conduct and Whistle Blower policy during their induction. Additionally, the HR department regularly conducts awareness sessions on the Prevention of Sexual Harassment and Human Rights to sensitize the workforce across the Company.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes

10. **Assessments for the year:**

	% your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

No such incident of non-compliance has been observed during assessment

Leadership Indicators

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

There were no human rights grievances or complaints raised; therefore, no business process modifications or Introductions were necessary.

2. **Details of the scope and coverage of any Human rights due-diligence conducted:**

No specific human rights due diligence is conducted.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

All the premises/ offices of the entity are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	-
Discrimination at workplace	-
Child labour	-
Forced Labour/ Involuntary Labour	-
Wages	-
Others-please specify	-

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment:

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
From renewable sources (GJ)		
Total electricity consumption(A)	126755	122691
Total fuel consumption(B)	-	-
Energy consumption through Other sources(C)	-	-
Total energy consumed from renewable sources (A+B+C)	**126755**	**87669**
From non-renewable sources (GJ)		
Total electricity consumption(D)	929664	843606
Total fuel consumption(E)	385	247
Energy consumption through Other sources(F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	**930049**	**843853**
Total energy consumed (GJ) (A+B+C+D+E+F)	**1056804**	**966544**
Energy intensity per rupee of turnover *(Total energy consumption in Units/turnover in rupees)*	**0.01**	**0.01**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical Output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**.- NO**

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Yes. The Company has manufacturing facilities that are covered under the Bureau of Energy Efficiency's (BEE) regulatory framework for energy efficiency and decarbonisation. Two manufacturing facilities, namely have been notified as Obligated Entities under the Carbon Credit Trading Scheme (CCTS) and are required to achieve prescribed Greenhouse Gas Emission Intensity (GEI) reduction targets.

Unit Name	Year	Assessment TOE (tCO_2e/ Tonne)	Target TOE (tCO_2e/Tonne)	Achieved TOE (tCO_2e/Tonne)
Sportking India Limited (Unit- Sportking Synthetic, Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120	2025-26	3.58	3.56	2.90
Sportking India Limited (Unit- Sportking Industries, Village Jida, Kotakpura, Dist Bathinda-151201	2025-26	3.69	3.68	2.63

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilo litres)		
(i) Surface water	NA	NA
(ii) Ground water (including STP)	706126	630821
(iii) Third party water	NA	NA
(iv) Seawater/desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilo litres) (i+ii+iii+iv+v)	**706126**	**630821**
Total volume of water consumption (in kilo litres)	**706126**	**630821**
Water intensity per rupee of turnover *(Water consumed/turnover)*	0.00	0.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption /Revenue from operations adjusted for PPP	0.00	0.00

Note: **Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Independent testing has been carried out for treated water/ ground water by Punjab Pollution Control Board.

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	**Not applicable**	**Not applicable**
-No treatment		
-With treatment - please specify level of treatment		
(ii) To Groundwater	**Not applicable**	**Not applicable**
-No treatment		
-With treatment - please specify level of treatment		
(iii) To Seawater	**Not applicable**	**Not applicable**
-No treatment		
-With treatment - please specify level of treatment		
(iv) Sent to third - parties	**Not applicable**	**Not applicable**
-No treatment		
-With treatment - please specify level of treatment		
v) Others	**Not applicable**	**Not applicable**
-No treatment		
-With treatment - please specify level of treatment		
Total water discharged (in kilolitres)	**Not applicable**	**Not applicable**

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation**.

Our manufacturing facilities are equipped with advanced wastewater treatment systems, including Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP). The treated water is reused for non-potable applications such as toilet flushing and gardening, supporting efficient water resource management. During the current financial year, the Company has initiated the phased implementation of the Zero Liquid Discharge (ZLD) process across its manufacturing operation. It continues to invest in advanced wastewater treatment technologies and enhance water-use efficiency to maximize the treatment, recycling, and reuse of wastewater.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format**

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	NA	NA	NA
SOx	NA	NA	NA
Particulate matter (PM)	NA	NA	NA
Persistent organic Pollutants (POP)	NA	NA	NA
Volatile organic Compounds (VOC)	NA	NA	NA
Hazardous air Pollutants (HAP)	NA	NA	NA
Others–please specify	NA	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?(Y/N) If yes, name of the external agency.- No

7. **Provide details of green house gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format.**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope1 and Scope 2 emissions per rupee of turnover	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes. We have identified the following measures to reduce greenhouse gas emissions:

- The 27.62 MW Solar Power Plant continued to generate renewable energy consistently, contributing significantly to the Company's clean energy portfolio and reducing dependence on conventional power sources.
- Energy-efficient spindles were installed to reduce power consumption and improve operational efficiency.

- The Company initiated the capital expenditure (CAPEX) for a 40.3 MW captive solar power project during FY 2025–26 through a Special Purpose Vehicle under a 25-year Solar Power Purchase Agreement. The project was successfully commissioned during FY 2026–27. It is expected to reduce annual power costs by approximately 12–13%, increase the share of renewable energy in the overall energy mix, lower greenhouse gas emissions and carbon footprint, enhance energy security, and create long-term sustainable value through improved operational efficiency and cost optimization.
- LED lighting was installed across various facilities to reduce electricity usage and enhance overall energy efficiency.

9. Provide details related to waste management by the entity, in the following format:

Parameter	**FY 2025-26**	**FY 2024-25**
Total Waste generated(in metric tonnes)		
Plastic waste ***(A)***	163.77	12.87
E-waste ***(B)***	0.90	1.93
Bio-medical waste***(C)***	NA	NA
Construction and demolition waste***(D)***	NA	NA
Battery waste***(E)***	NA	NA
Radio active waste***(F)***	NA	NA
Other Hazardous waste. Please specify, if any. ***(G)***	6.94	0.33
Other Non-hazardous waste generated (H). Please specify, if any.	NA	NA
Total (A+B+C+D+E+F+G +H)	**171.61**	**15.13**

Parameter	***FY 2025-26 (Current Financial Year)***	***FY 2024-25 (Previous Financial Year)***
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	**0.00**	**0.00**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity *(optional) – the relevant metric may be selected by the entity*	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NIL	NIL
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
Total	**NIL**	**NIL**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	171.61	15.13
Total	**171.61**	**15.13**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes**.

- Waste is segregated at the source into hazardous and non-hazardous categories to ensure proper handling and disposal.
- We collaborate with authorized vendors for the safe disposal and recycling of e-waste and hazardous materials.
- Hazardous waste is stored and labelled safely in designated containment areas to prevent any environmental or health risks.
- The company complies fully with Extended Producer Responsibility (EPR) regulations concerning e-waste, battery waste, and plastic waste.
- In-house generated e-waste is accumulated at a centralized collection centre and subsequently sent to authorize recyclers for processing.
- Certificates and documentation verifying the details of e-waste recycled and disposed of are obtained from authorized recyclers to ensure transparency and compliance

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format**:

    Not Applicable

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

    Not Applicable

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N).If not, provide details of all such non-compliances, in the following format:**

    The Company strictly adheres to all relevant environmental laws, regulations, and guidelines in India, ensuring full compliance. Further consent to Operate taken Under Punjab Pollution Control Board for all Units.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

    5 Chambers/Associations.

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr. No.	Name of the trade and industry chambers/association	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Indian Export Organizations (FIEO)	National
2.	Confederation of Indian Industry [CII]	National
3.	The Cotton Textiles Export Promotion Council (TEXPROCIL)	National
4.	The Synthetic and Rayon Textiles Export Promotion Council (SRTEPC)	National
5.	Northern India Textile Mill’s Association (NITMA)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
There were no incidents of anti-competitive behaviour involving the Company during the reporting period		

Leadership Indicators

1. **Details of public policy positions advocated by the entity**:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others –please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development:

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No	Results communicated in public domain (Yes / No)	Relevant Web link
No Social Impact Assessments (SIA) of project have been undertaken by the Company in the current year since it is not applicable to the Company.					

2. **Provide information on project(s) for which on-going Rehabilitation and Resettlement (R&R) is being undertaken by your entity in following format:-**

S. No.	Name of Project for which R&R is on-going	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
No rehabilitation and resettlement were undertaken by the Company during this reporting period.						

3. **Describe the mechanisms to receive and redress grievances of the community.**

Company considers the community a key stakeholder and is committed to their welfare through focused CSR initiatives, guided by our CSR policy. We engage regularly with community leaders and members, both directly and via NGO partners, to identify and address local needs through education, healthcare, livelihood, and environmental initiatives.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	1.56%	Nil
Sourced directly from within the district and neighbouring districts	12.68%	17.97%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2025-26	FY 2024-25
Rural	88.67	63.79
Semi-urban	6.23	27.91
Urban	1.67	4.68
Metropolitan	3.43	3.63

Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Nil	NA

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not Applicable as no CSR projects were undertaken in designated aspirational districts as identified by government bodies

S. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?**

The company does not have any preferential procurement policy at present.

(b) **From which marginalized /vulnerable groups do you procure?**

Not Applicable

(c) **What percentage of total procurement (by value) does it constitute?**

Not Applicable.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Not Applicable, no benefits derived and shared from the intellectual properties owned or acquired

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable

Name of authority	Brief of the Case	Corrective action taken
-	-	-

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Health care Support / Eradicating Poverty	Public at large	The beneficiaries of Company's CSR Programs and projects are from all sections of the society in our area of influence.
2.	Rural Development		
3.	Disaster Management		

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner:

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Head of the Marketing Department (HOD) is primarily responsible for handling customer complaints. Once a complaint is received, the product is sent to the relevant department for investigation, and the Managing Director (MD) is informed by email or phone. If the complaint relates to product quality, it is referred to the Head of the Quality Assurance Department (QAD). Each complaint is carefully reviewed to identify the root cause. Depending on the severity and nature of the issue, a visit to the customer may be arranged to assess the situation. The HOD of Marketing may also join this visit, if necessary. A detailed report is then shared with the MD. Corrective actions are implemented to prevent similar issues, and their effectiveness is reviewed regularly. We also collect customer feedback after sales, and have consistently maintained 100% satisfaction in our customer satisfaction index.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Particular	as a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. **Number of consumer complaints in respect of the following:**

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the Year	Pending Resolution at end of year		Received during the Year	Pending Resolution at end of year	
Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary Calls	No such case reported	
Forced calls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes. The Risk management Policy is available on the Company's website https://sportking.co.in/wp-content/uploads/2024/11/RISK-MANAGEMENT-POLICY.pdf.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   No such incident related to the mentioned topic has been reported.

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches- **Nil**

   b. Percentage of data breaches involving personally identifiable information of customers- **Nil**

   c. Impact, if any, of the data breaches- **Nil**

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):**

   The information on Company's products can be accessed through Company's websites i.e. www.sportking.co.in.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

   The company display safety and responsible usage of products on carton boxes. Also we regular interact with our customers on the quality and safety of our products, as well as their appropriate use.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

   Not Applicable

4. a. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

      The company display only mandated product information on carton boxes.

   b. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

      Yes

By the order of the Board
For Sportking India Limited

Munish Avasthi
Chairman & Managing Director
DIN: 00442425

Place: Ludhiana
Date: 01.08.2026

CORPORATE GOVERNANCE REPORT

The Company strives to adopt the highest standards of excellence in Corporate Governance. The Company has consistently practiced good Corporate Governance norms for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates. The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ["SEBI Listing Regulations"]. The principles governing the disclosures and obligations have been implemented in a manner so as to achieve the objectives of Corporate Governance.

The Company's continued endeavor is to achieve good governance which ensures our performance rules with integrity whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our employees, shareholders, consumers and the community at large. Apart from the compliance with the statutory provisions of the Companies Act, Allied Acts and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is in compliance with all the requirements of the Corporate Governance code as enriched in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We believe that sound Corporate Governance is critical to enhance and retain stakeholder's trust.

1. COMPANY'S PHILOSOPHY

(a) Satisfy the spirit of the law and not merely the letter of the law. Corporate Governance standards should go beyond the law.

(b) Be transparent and maintain a high degree of disclosure levels.

(c) Respect for people, consumer delight, Integrity, Quality and Shareholder's value

(d) Achieving excellence through continuous innovation & creativity

(e) Faith in individual potential and respect for human values

(f) Pioneer in its sector by investing in people and technology.

(g) Transparency in all business dealings and transactions.

(h) The Board, employees and all concerned are fully committed to optimizing operational resilience of the stakeholders and the Company.

(i) Effective internal control to manage elements of uncertainty and potential risks inherent in every business decision.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

2. BOARD OF DIRECTORS

SIZE & COMPOSITION:

The Board members of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the Board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

Your Company's Board is well-balanced and diverse mix of Executive and Non-Executive Directors with majority of the Board Members comprising Independent Directors and the same is also in line with the applicable provisions of Companies Act, 2013 ("The Act") and SEBI LODR Regulations. Each director possesses the necessary qualifications, experience, and expertise in their respective functional areas, enabling them to fulfill their responsibilities and provide strong leadership to the management team.

As of 31st March, 2026 the Company's Board of Directors comprises of 6 Directors. Out of these, 2 are Executive Directors and 4 are Non-Executive Directors, including 3 Independent Directors. The composition of the Board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act, 2013 ("the Act"). The composition of the Board, category of Directorship, Director Identification Number ('DIN') and shareholding of Directors as 31.03.2026 are as follow:

Name of the Directors	DIN	Category	No. of equity shares held in the Company
Mr. Munish Avasthi	00442425	Executive/ Managing Director / Promoter	2,20,21,580
Mr. Chetan Rupal	00253536	Executive / Non Promoter Director	NIL
Mrs. Anjali Avasthi	06911970	Non- Executive /Non Independent Director	80,770
Mr. Puneet Singhania	01551462	Non- Executive/ Independent Director	NIL
Dr. Sandeep Kapur	07016726	Non –Executive/ Independent Director	NIL
Mrs. Harpreet Kaur Kang	03049487	Non- Executive/ Independent Director	NIL

Notes:

During the year under review, the following appointments were made to the Board of Directors:

- Mr. Chetan Rupal (DIN: 00253536) was appointed as an Executive (Non-Independent) Director of the Company by the Board of Directors at its meeting held on 02 August 2025.
- Mr. Puneet Singhania (DIN: 01551462) was appointed as an Independent Director of the Company by the Board of Directors at its meeting held on 02 August 2025

MEETINGS OF THE BOARD AND COMMITTEES

Notices of the Board and Committee Meetings are sent to the Directors within the stipulated time. The detailed agenda as approved with the relevant attachments are circulated amongst the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board/Committee to take informed decisions. Where it is not practicable to circulate any document in advance or if the agenda is of confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up in compliance with the requirements of the Secretarial Standard on Meeting of the Board of Directors. Senior Management Personnel are invited to the Board/ Committee Meeting(s) to provide additional inputs for the items being discussed by the Board/ Committees thereof as and when necessary. Further, presentations are made on business operations as well as on various matters which the Board/Committee wants to be apprised of.

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the members of the Board/Committee for their perusal within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors. Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Chairperson. The important decisions taken at the Board/ Committee Meetings are communicated to the departments concerned promptly. Minutes of the previous meeting(s) are placed at the succeeding meeting of the Board/Board Committee for noting. Further, Action Taken Report on decisions on the previous meetings is placed at the succeeding meeting.

The Company Secretary is responsible for convening of the Board and Committee Meetings and preparation of respective Agenda and recording of minutes of the meetings in compliance with all applicable laws and regulations.

During the year under review Board of Directors met on 4 (four) occasions, on the following Dates:

- 01st May, 2025
- 02nd August, 2025
- 11th November, 2025
- 07th February, 2026

The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the Listing Regulations and Secretarial Standard on Meetings of the Board of Directors. The details of attendance of each Director at the Board Meetings held during the year under review and the last Annual General Meeting (AGM) along with the number of companies and committees where he/she is a Director, Member, Chairperson and the relationship between the Directors inter-se, as on March 31, 2026, are given below:

Name of the Directors	No. of Board Meetings Attended	Attendance at the AGM held On 30.08.2025	Total No. Of Directorships in other Public Companies	Directorship held in other Public Ltd. Companies/ Category of Directorship	Total no. of Committee Memberships in other Public Companies	Total no. of Committee Chairmanships in other Public Companies
Mr. Munish Avasthi	4	Yes	1	Confederation of Indian Textile Industry (Non- Executive Director)	-	-
Mr. Naresh Kumar Jain*	1	N.A.	-	-	-	-
Mrs. Anjali Avasthi	4	Yes	-	-	-	-
Mr. Prashant Kochhar**	2	Yes	-	-	-	-
Dr. Sandeep Kapur	4	Yes	5	Vardhman Acrylics Limited (Non-Executive Independent Director) Ralson India Limited (Non-Executive Independent Director) Ludhiana Smart City Limited (Nominee Director) Kangaro Industries Limited (Non-Executive Independent Director) Vardhman Yarns and Threads Limited (Non-Executive Independent Director)	3	1
Mrs. Harpreet Kaur Kang	3	No	1	Vardhman Textiles Limited (Non-Executive Independent Director)	2	1
Mr. Puneet Singhania##	3	Yes	5	Mastertrust Wealth Private Limited (Non- Executive Director) Sanawar Agri Private Limited (Executive Director) Master Capital Services Limited (Executive Director) Master Portfolio Services Limited Director Promoter (Non-Executive Director) Master Infrastructure And Real Estate Developers Limited (Non-Executive Director)	-	-
Mr. Chetan Rupal#	3	Yes	-	-	-	-

* Due to Sudden demise, Mr. Naresh Kumar Jain ceased to be Director of the Company w.e.f 07th June 2025.

** Mr. Prashant Kochhar, Independent Director of the Company, retire upon completion of his tenure at conclusion of the Annual General Meeting held on 30th August 2025.

The Board of Directors appointed Mr. Chetan Rupal (DIN: 00253536) as Executive (Non-Independent) Director of the Company in their meeting held on 02nd August 2025.

##The Board of Directors appointed Mr. Puneet Singhania (DIN: 01551462) as Independent Director of the Company in their meeting held on 02nd August 2025

Notes

1. The above mentioned Directorships exclude private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013.
2. The detailed profile of Directors is available on the website of the Company.
3. Committee includes Audit Committee and Stakeholders Relationship Committee.
4. As mandated by Regulation 17A and 26 (1) (b) of the Listing Regulations, None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies have been made by the Directors.
5. Except, Mr. Munish Avasthi (Managing Director) and Mrs. Anjali Avasthi (Non-Executive Non Independent Director) none of the Directors are related to each other.

CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS.

The Board consists of eminent individuals having expertise and experience in various fields who understand and respect their roles and responsibilities towards stakeholders of the Company, including the duties and powers prescribed under the provisions of the Companies Act, 2013, and any other applicable laws, and strive to meet their expectations. The Board also confirms that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and are independent of the management. The Board Mix provides a combination of professionalism, knowledge, skills, expertise, industry and business understanding and experience as required in the industry and further meets the criteria prescribed under the Board Diversity Policy adopted by the Board

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which is currently available with the Board:

Sr. No.	Skill/Expertise/ Competencies	Names of Directors who have such Skill/Expertise/Competencies					
		Mr. Munish Avasthi	Mr. Chetan Rupal	Mrs. Anjali Avasthi	Mr. Puneet Singhania	Dr. Sandeep Kapur	Mrs. Harpreet Kaur Kang
1.	Industry Knowledge/Experience	✓	✓	✓	✓	✓	✓
2.	Knowledge of Sector	✓	✓	✓	✓	✓	✓
3.	Accounting, Finance and Banking	✓	✓	✓	✓	✓	✓
4.	Business Strategy and Planning Management	✓	✓	✓	✓	✓	✓
5.	Marketing Management	✓	✓	✓	✓	✓	✓
6.	Corporate Governance	✓	✓	✓	✓	✓	✓
7.	Legal & Risk Management	✓	✓	✓	✓	✓	✓
8.	Compliance focus Management	✓	✓	✓	✓	✓	✓
9.	Foreign Exchange Management	✓	✓	✓	✓		✓
10.	Project Management	✓	✓	✓	✓		

Confirmation from the Board of Directors in context to Independent Directors:

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Act. Further, all the Independent Directors have confirmed that their names are included in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs ("IICA") and have passed / are exempted from the online proficiency self-assessment test. These confirmations have been placed before the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies as stipulated under Regulation 17A of the Listing Regulations. In the opinion of the Board, Independent Directors of the Company, fulfil the conditions specified in the Listing Regulations and are independent of the Management.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

No Independent Director has resigned before expiry of his/her tenure.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013 read with rule 3 and 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name	Designation
1.	Mr. Munish Avasthi	Chairman and Managing Director
2.	Mr. Sandeep Sachdeva	Chief Financial Officer
3.	Mr. Lovlesh Verma	Compliance Officer and Company Secretary

SENIOR MANAGEMENT

The names of Senior Management Personnel are as under:

S. No.	NAME	DESIGNATION
1.	Mr. Shiv Kumar Sharma	President- Production
2.	Mr. Rashim Jindal	President (Marketing & Raw Materials)
3.	Mr. Devender Singh Yadav	Vice President HR

Disclosure of Certain Types of Agreements Binding Listing Entities

Information disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements Regulations) (Second Amendment) Regulations, 2023: **Not Applicable**

3. BOARD COMMITTEE (S), THEIR COMPOSITION AND TERMS OF REFERENCE

The Board has constituted various Committees to assist it in the effective discharge of its responsibilities and to strengthen the Company's governance framework. Each Committee functions within a defined scope and operates in accordance with its terms of reference approved by the Board.

These Committees focus on specific areas of the Company's operations and governance, enabling detailed consideration of matters and facilitating efficient decision-making. While the Committees discharge their respective responsibilities, the Board retains overall oversight and remains accountable for their actions.

The Chairperson of each Committee apprises the Board of the deliberations and key decisions taken at the Committee Meetings. The minutes of all Committee Meetings are placed before the Board for its noting. The Committees may also invite senior management personnel or other invitees to attend their meetings, as considered appropriate.

The Board currently has **5 Committees**:

Audit Committee;
Nomination and Remuneration Committee;
Stakeholders' Relationship Committee;
Corporate Social Responsibility Committee and
Risk Management Committee.

The terms of reference of the Board Committees are in compliance with the provisions of the Companies Act, 2013, SEBI LODR Regulations and are also reviewed by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees. The meetings of each Board Committee are convened by the Company Secretary in consultation with the respective Committee Chairperson. The role and composition of these Committees including the number of meetings held during the financial year and the related attendance are provided in the subsequent paragraphs.

AUDIT COMMITTEE:

Composition

The Audit Committee acts as an interface between the Statutory Auditors and Internal Auditors, the Management and the Board of Directors. The composition of the Audit Committee, its powers and terms of reference are in alignment with the provisions of Section 177 of the Act read with the Rules issued thereunder and Regulation 18 of the SEBI LODR read with Part C of Schedule II thereto. The Members of the Audit Committee are financially literate and have experience in financial management. All the recommendations made by the Audit Committee during the year under review were accepted by the Board. As on 31st March, 2026 the Audit Committee consisted of 4 (four) Members, out of whom 3 (three) are Non-executive Independent Directors and 1 (one) Executive Director. All the members of Audit Committee are financially literate and Chairman of the Committee possesses expertise in legal, finance and accounting matters. Upon invitation, the CFO, internal auditors and statutory auditors of the Company attend meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee. The previous AGM of the Company was held on 30th August 2025 and was attended by the Chairperson of Audit Committee.

The Composition of the Committee as at March 31, 2026 was as under:

Sr. No.	Name of the Directors	Designation	Category
1.	Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director
2.	Mr. Puneet Singhania	Member	Non-Executive Independent Director
3.	Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director
4.	Mr. Chetan Rupal	Member	Executive Non-Promoter Director

Terms of Reference:

All the members of the Committee have sound knowledge of finance and accounts. The terms of reference and powers of the audit committee cover areas mentioned under Regulation 18 SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013 (hereinafter referred to as “the act”) are as under:

- Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to Auditors for any other services rendered by the Auditors of the Company;
- Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s Report in terms of clause (c) of Sub-Section 3 of Section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons thereto;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial results before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor’s independence and performance and effectiveness of audit process;

- Approval or any subsequent modification of transactions of our Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of our Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To review the compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;
- To carry out any other function as mentioned in the terms of reference of the Audit Committee.

Meeting

During the year ended 31st March, 2026 the Audit Committee met 4 (four) times on 01.05.2025, 02.08.2025, 11.11.2025 and 07.02.2026 respectively. All the meetings of the Audit Committee were held with the time gap as prescribed as prescribed under Regulation of SEBI LODR. The Audited Financial Results together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2026 were reviewed, considered and recommended by the Audit Committee to the Board at its meeting held on 16th May, 2026.

The attendance of committee members during the financial year 2025-26 are as under:

Name of the Directors	Designation	Category	No(s.) of Meetings Attended
Mr. Prashant Kochhar	Chairman	Non-Executive Independent Director	2/2
Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director	3/4
Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director	3/4
Mr. Naresh Kumar Jain	Member	Executive Non-Promoter Director	1/1
Mr. Chetan Rupal	Member	Executive Non-Promoter Director	2/2
Mr. Puneet Singhania	Member	Non-Executive Independent Director	2/2

Note:

- Mr. Naresh Kumar Jain ceased to be a Director of the Company with effect from 07 June 2025 due to his sudden demise and, consequently, ceased to be a Member of the Audit Committee.
- The Board of Directors, at its meeting held on 02 August 2025, reconstituted the Audit Committee by appointing Mr. Chetan Rupal and Mr. Puneet Singhania as Members of the Committee.
- Dr. Sandeep Kapur, Independent Director, appointed as Chairman of the Audit Committee with effect from the conclusion of the Annual General Meeting held on 30 August 2025.
- Mr. Prashant Kochhar retired as an Independent Director upon completion of his tenure at the conclusion of the Annual General Meeting held on 30 August 2025 and, consequently, ceased to be the Chairman and a Member of the Audit Committee.

In accordance with the circular dated January 7, 2026 issued by the National Financial Reporting Authority ('NFRA'), the Company has identified the appropriate persons as Those Charged with Governance ('TCWG') and the Board, at its meeting held on 07th February 2026, upon the recommendation of the Audit Committee and in consultation with the Statutory Auditors, approved a structured framework to ensure effective, timely and well documented two-way communication between the Statutory Auditors and TCWG.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition

Pursuant to provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations, Committee of Directors (Stakeholders Relationship Committee) of the Board has been constituted. The Composition of the Committee as at March 31, 2026 was as under:

Sr. No.	Name of the Directors	Designation	Category
1.	Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director
2.	Mr. Munish Avasthi	Member	Executive Promoter Director
3.	Mr. Chetan Rupal	Member	Executive Non-Promoter Director

Mr. Lovlesh Verma, Company Secretary of the Company act as Compliance officer of the committee/company as per the requirement of SEBI Listing Regulation.

Terms of Reference:

The terms of reference of Committee are as under:

- to consider and resolve the grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- to consider and approve demat/ remat of shares/ split/consolidation/sub-division of share/debenture certificates;
- to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 with the Stock Exchanges and regulations/ guidelines issued by the SEBI or any other regulatory authority

Meeting

During the year, 4 meeting of SRC was held and necessary quorum was present at the said meeting. The composition of the SRC and number of meeting (s) attended by the members during the year are given below:

Name of the Directors	Designation	Category	No(s.) of Meetings Attended/ Attended
Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director	4/4
Mr. Munish Avasthi	Member	Executive and Promoter Director	4/4
Mr. Naresh Kumar Jain	Member	Executive and Non-Promoter Director	1/1
Mr. Chetan Rupal	Member	Executive Non-Promoter Director	3/3

Note:

- Mr. Naresh Kumar Jain ceased to be a Director of the Company with effect from 07 June 2025 due to his sudden demise and, consequently, ceased to be a Member of the Committee.
- The Board of Directors, at its meeting held on 02 August 2025, reconstituted the Stakeholder Relationship Committee by appointing Mr. Chetan Rupal as Members of the Committee.

The previous AGM of the Company was held on 30th August 2025 and was attended by Chairperson of SRC.

Shareholder's Grievances:

During the Financial Year 2025-2026, 6 investor complaints/ queries were received which was fully resolved and there was no pending complaint at the end of FY 2025-26. In order to expedite the process and for effective resolution of grievances/ complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents to redress all complaints/ grievances/enquiries of the shareholders/investors. The Company has a robust investor grievance mechanism which provides for various ways through which the Shareholders can reach out to the Company and its RTA with specified turnaround time and escalation matrix. The Shareholders have an option to write directly to the Company or its Registrar and Share Transfer Agent ('RTA') through letters or emails.

Share Transfer Committee:

The Share Transfer Committee ('STC') of the Company deals with the share related matters such as transmission, name deletion, issuance of duplicate share certificates as well as transfer to and from the unclaimed suspense account and escrow account maintained by the Company in terms of the provisions of the law. The Committee comprises of the Members of the Board as well as officials of the Company who meet at regular intervals. The matters approved at the Share Transfer Committee meetings are ratified by the SRC.

NOMINATION AND REMUNERATION COMMITTEE

Composition

The composition of Nomination and Remuneration Committee ("NRC") is in accordance with the provisions of Section 178(1) of the Act and Regulation 19 of the Listing Regulations. The Composition of the Committee as at March 31, 2026 was as under:

Sr. No.	Name of the Directors	Designation	Category
1.	Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director
2.	Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director
3.	Mr. Puneet Singhania	Member	Non-Executive Independent Director

Mr. Lovlesh Verma, Company Secretary of the Company act as Compliance officer of the committee/company as per the requirement of SEBI Listing Regulation.

Terms of Reference:

The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations, and are as follows:

- to help the Board in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/ reappointment and removal of Directors and Senior Management;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board, remuneration payable to the Directors and Senior Management (within the appropriate limits as defined in the Act);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to recommend 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;
- to assist in developing a succession plan for the Board and Senior Management; to assist the Board in fulfilling responsibilities entrusted from time-to-time; and delegation of any of its powers to any Member of the Committee or the Compliance Officer.
- Carry out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee and prescribed under Section 178 of the Companies Act, 2013 and regulation 19 of SEBI (LODR) Regulations, 2015.

Meeting

The NRC met once during the year on 02nd August, 2025. The requisite quorum was present at the said Meetings. The table below provides the attendance of the NRC members for meetings held during the year:

Name of the Directors	Designation	Category	No(s.) of Meetings Attended/ Attended
Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director	1/1
Mr. Prashant Kochhar	Member	Non-Executive Independent Director	1/1
Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director	1/1
Mr. Puneet Singhania	Member	Non-Executive Independent Director	NA

Note:

- The Board of Directors, at its meeting held on 02 August 2025, reconstituted the Committee by appointing Mr. Puneet Singhania as Members of the Committee.
- Mr. Prashant Kochhar retired as an Independent Director upon completion of his tenure at the conclusion of the Annual General Meeting held on 30 August 2025 and, consequently, ceased to be the Member of the Committee.

The Chairperson of the NRC was present at the last Annual General Meeting of the Company held on 30th August 2025.

Nomination and Remuneration Policy:

The Nomination and Remuneration Policy ('Policy') is formulated by the NRC and approved by the Board of Directors of the Company. The Policy of the Company has been uploaded on the website of the Company under the web link https://sportking.co.in/wp-content/uploads/2025/08/NMR-POLICY.pdf. The objective of this Policy is to serve as a guiding charter to appoint qualified persons as Directors, Key Managerial Personnel and in senior management, to recommend the remuneration to be paid to them and to evaluate their performance. The Nomination and Remuneration Policy of the Company provides a framework for identifying and recommending individuals who are qualified to be appointed as Directors, Key Managerial Personnel (KMP) and members of Senior Management. The Policy lays down the criteria for determining the qualifications, positive attributes and independence of Directors, promotes diversity on the Board, and prescribes the manner and criteria for evaluating the performance of the Board, its Committees and individual Directors, including Independent Directors. It also sets out the principles governing the remuneration of Directors, KMP and Senior Management to ensure that the remuneration structure is fair, reasonable, performance-driven and aligned with the long-term interests of the Company and its stakeholders.

Remuneration

The remuneration as applicable to executive/non-executive directors/ Senior Management Employees provides for the following:

a. Non-Executive Directors

The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or Shareholders, as the case may be. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company. The criteria of making payments to non-executive directors are disseminated on the website of the Company under the web link https://sportking.co.in/pdf/Criteria-of-making-payment-to-non-executive-directors.pdf.

b. Managing Director/Whole-time Directors

The remuneration/commission payable to Managing Directors and Whole-time Directors shall be governed by the applicable provisions of the Companies Act, 2013 and the rules made thereunder, or any other statutory enactment for the time being in force, along with the requisite approvals of the shareholders of the Company and other regulatory authorities, wherever required. The Nomination and Remuneration Committee shall review and make appropriate recommendations to the Board of Directors with respect to the remuneration payable to Managing Directors and Whole-time Directors, based on applicable statutory provisions and the Company's remuneration framework.

c. Senior Management Employees/Key Managerial Personnel

The remuneration payable to Key Managerial Personnel (KMP) and Senior Management shall consist of fixed pay, in compliance with the provisions of the Companies Act, 2013 and the Company's applicable policies. The fixed pay includes monthly salary and statutory contributions such as Provident Fund and other applicable benefits, as may be determined from time to time. The remuneration of KMP and Senior Management is reviewed periodically by the Nomination and Remuneration Committee based on the performance of the Company and the individuals, and is recommended to the Board for approval.

Succession Planning

The Company has an effective mechanism for succession planning which focuses on orderly succession of Directors, including Executive Directors, Senior Management team and other key officials. The Nomination and Remuneration Committee ('NRC') has developed the succession plan and the same is implemented in concurrence with the Board. Regular updates are provided to the NRC and the Board on talent development and succession planning which covers plans for appointments to the Board based on various factors such as current tenure of Directors, outcome of performance evaluation, skill set, experience, diversity as well as business requirements. A thorough talent review based on drivers like the requirement of the role, talent as well as the business.

Details of the Remuneration paid/payable to the Directors and Key Managerial Personnel for the Year Ended 31st March, 2026.

Executive Directors:

Name	Designation	Salary (Rs.)	Allowances / Perquisites (Rs.)	Commission (Rs.)	Contribution to PF (Rs.)	Total (Rs.)
Mr. Munish Avasthi	Chairman and Managing Director	2,22,00,000	-	-	-	2,22,00,000
Mr. Naresh Kumar Jain*	Executive Non-Promoter Director	13,68,000	1,84,000	-	-	15,52,000
Mr. Chetan Rupal **	Executive Non-Promoter Director	7,96,774	-	-	-	7,96,774

Note- Managerial remuneration does not include value of non-cash perquisites.

*Due to Sudden demise Mr. Naresh Kumar Jain ceased to be Director of the Company w.e.f 07th June 2025.

** The Board of Directors appointed Mr. Chetan Rupal (DIN: 00253536) as Executive (Non-Independent) Director of the Company in their meeting held on 02nd August 2025.

Non-Executive Independent Directors:

Name	Designation	Amount (Rs)
Dr. Sandeep Kapur	Non-Executive Independent Director	55,000
Mr. Prashant Kochhar*	Non-Executive Independent Director	25,000
Mrs. Harpreet Kaur Kang	Non-Executive Independent Director	40,000
Mr. Puneet Singhania**	Non-Executive Independent Director	45,000
	Total	**1,65,000**

***** Mr. Prashant Kochhar, Independent Director of the Company, retire upon completion of his tenure at conclusion of the Annual General Meeting held on 30th August 2025.

**The Board of Directors appointed Mr. Puneet Singhania (DIN: 01551462) as Independent Director of the Company in their meeting held on 02nd August 2025.

Remuneration paid/payable to Key Managerial Personnel

Name	Designation	Amount (Rs.)
Mr. Sandeep Sachdeva	Chief Financial officer (CFO)	43,19,994
Mr. Lovlesh Verma	Company Secretary	12,23,379

Note: Amount did not include Leave Travel Allowance and conveyance reimbursement.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Composition

Corporate Social Responsibility Committee is constituted in accordance with the provisions of Section 135 of the Act and rules framed thereunder The Corporate Social Responsibility Committee (Committee) of the Company comprises three members, out of which one is Independent Director. The Composition of the Committee as at March 31, 2026 was as under:

Sr. No.	Name of the Directors	Designation	Category
1.	Mr. Munish Avasthi	Chairman	Executive Promoter Director
2.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director
3.	Mrs. Anjali Avasthi	Member	Non-Executive Promoter Director

The Company Secretary acts as the Secretary to Committee.

Terms of Reference:

Terms of reference of the CSR Committee include:

(a) to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Act;

(b) to recommend the amount of expenditure to be incurred on CSR activities;

(c) to monitor CSR Policy of the Company from time to time;

(d) discharge such duties and functions as indicated in Section 135 of the Act and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time

The CSR policy is disclosed on the website of the Company https://sportking.co.in/wp-content/uploads/2025/08/CSR-POLICY.pdf

Meeting

The committee met once during the financial year under review on 01.05.2025. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No(s.) of Meetings Attended/Attended
Mr. Munish Avasthi	Chairman	Executive Promoter Director	1/1
Dr. Sandeep Kapur	Member	Non-Executive Independent Director	1/1
Mr. Naresh Kumar Jain*	Member	Executive Non-Promoter Director	1/1
Mrs. Anjali Avasthi	Member	Non-Executive Promoter Director	NA

Note:

- Mr. Naresh Kumar Jain ceased to be a Director of the Company with effect from 07 June 2025 due to his sudden demise and, consequently, ceased to be a Member of the Committee.
- The Board of Directors, at its meeting held on 02 August 2025, reconstituted the CSR Committee by appointing Mrs. Anjali Avasthi as Members of the Committee.

RISK MANAGEMENT COMMITTEE:

Composition

The Company has constituted a Risk Management Committee ('RMC') in accordance with the provisions of Regulation 21 of the SEBI Listing Regulations, for framing, implementing and monitoring the risk management policy of the Company. The Composition of the Risk Management Committee as at March 31, 2026 was as under:

Sr. No.	Name of the Directors	Designation	Category
1.	Mr. Munish Avasthi	Chairman	Executive Promoter Director
2.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director
3.	Mr. Chetan Rupal	Member	Executive Non Promoter Director

The Company Secretary of the Company acts as the Secretary of the Committee.

Terms of Reference

The Company has in place a Risk Management Committee constituted in accordance with the Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 comprising of members in compliance with the said regulations. The terms of reference of the Committee are as under:

- To formulate a detailed Risk Management Policy which shall include:
    1. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environment, Social and Governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    2. Measures for risk mitigation including systems and processes for internal control of identified risks.
    3. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

The Risk Management Policy is disclosed on the website of the Company https://sportking.co.in/wp-content/uploads/2024/11/RISK-MANAGEMENT-POLICY.pdf

Meeting

The committee met two times (2) during the financial year under review on 01.05.2025 and 11.11.2025. and the intervening gap between the two consecutive meetings did not exceed two hundred and ten (210) days. Necessary quorum was present at the meeting. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No(s.) of Meetings Attended
Mr. Munish Avasthi	Chairman	Executive and Promoter/ Director	2/2
Mr. Naresh Kumar Jain	Member	Executive and Non Promoter Director	1/1
Dr. Sandeep Kapur	Member	Non-Executive Independent Director	2/2
Mr. Chetan Rupal	Member	Executive Non Promoter Director	1/1

Note:

- Mr. Naresh Kumar Jain ceased to be a Director of the Company with effect from 07 June 2025 due to his sudden demise and, consequently, ceased to be a Member of the Committee.
- The Board of Directors, at its meeting held on 02 August 2025, reconstituted the Risk Management Committee by appointing Mr. Chetan Rupal as Members of the Committee.

COMMITTEE OF INDEPENDENT DIRECTORS AND MEETING

As per the requirements of the Act and the SEBI Listing Regulations, the Independent Directors are required to meet at least once a year to:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting of the Independent Directors was conducted once in the Financial Year 2025-26 through physical means on 07th February 2026 in compliance with the requirements of the Act, Rules framed thereunder and Regulation 25(3) of the SEBI Listing Regulations. The said Meeting was attended by all the Independent Directors. The Independent Directors at their Meeting inter-alia, reviewed the performance of Directors and the Board as a whole and the performance of the Chairperson, considering the views of Executive Directors and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that helps the Board in effective decision making. Further the Board had appointed Dr. Sandeep Kapur as a Lead Independent Director.

The attendance of committee members during the FY 2025-26 as under:

Name of the Directors	Category	No(s.) of Meetings Attended
Dr. Sandeep Kapur	Non-Executive Independent Director	1/1
Mr. Puneet Singhania	Non-Executive Independent Director	1/1
Mrs. Harpreet Kaur Kang	Non-Executive Independent Director	1/1

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company conducts familiarization programs for Independent Directors with regard to the following:

- Their roles, rights, responsibilities and duties as Independent Directors of the Company;
- Company information such as the business operations of the Company, the industry in which the Company operates in, risks and opportunities, business model, the long and short term strategic goals of the Company, etc.; and
- Company policies and procedures, internal controls as well as risk management mechanisms.

Besides the above, detailed presentations are made to the Board and its Committees from time to time on various matters such as Business updates, Legal & Regulatory updates, Strategic plans, Litigation status updates, Plant update, , CSR update, Key Risks Management and Mitigation plan, Financial and Audit etc. As and when a new director is inducted on the Company's Board he / she is apprised of the philosophy, vision and mission, working, operations and functioning of the Company. They are made aware of various policies, procedures and codes adopted by the Company. They are also provided with an opportunity to interact with the leadership team to gain insights.

The Details of Such a Programme are available on the website of the company at https://sportking.co.in/wp-content/uploads/2026/03/Familiarisation-Program-of-Independent-Directors-from-2019-20-to-till-date.pdf.

4. PERFORMANCE EVALUATION

In terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2018, the evaluation of performance of the Board, its Committees and Individual directors and Independent Directors has been carried out during the year under review. The Nomination and Remuneration Committee has carried out the annual evaluation of Individual Directors of the Company; and the Board of Directors has carried out the annual evaluation of the performance of the Board and its Committees and Independent Directors. Further, Independent

Directors also reviewed the performance of the Non-Independent Director and Board as a Whole and performance of the Chairman. The evaluation sheet for evaluation of Board, committees and Directors/Chairman were circulated to the respective meetings of the Board, Nomination and remuneration Committee and Independent Directors Separate Meeting. The performance of the Board is evaluated based on composition of the Board, its committees, performance of duties and obligations, governance issues etc. The performance of the committees is evaluated based on adequacy of terms of reference of the Committee, fulfillment of key responsibilities, frequency and effectiveness of meetings etc. The performance of individual Directors and Chairman was also carried out in terms of adherence to code of conduct, participation in board meetings, implementing corporate governance practices etc. The Independent Directors are evaluated based on their participation and contribution, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

5. **ANNUAL GENERAL MEETINGS:**

The Details of last three Annual General Meetings are as follows:

Annual General Meeting	Day	Date	Time	Venue	No. of Special Resolutions Passed
36th	Saturday	30/08/2025	10:30 A.M.	Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120 (Punjab)	6
35th	Saturday	17/08/2024	10:30 A.M.	Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120 (Punjab)	Nil
34th	Saturday	15/09/2023	10:30 A.M.	Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120 (Punjab)	1

The Company has not passed any resolution through postal ballot, during the Financial Years under review.

6. **PREVENTION OF INSIDER TRADING**

The Company has devised a Code of Conduct of Insider Trading Regulations which is applicable to all the Designated Persons of the Company who are expected to have access to the unpublished Price Sensitive information relating to the Company and is available on the website of the Company https://sportking.co.in/wp-content/uploads/2025/11/Prevention-of-Insider-Trading-Policy.pdf

The Code of Conduct for Prevention of Insider Trading lays down guidelines, procedures and disclosure requirements for dealing in the securities of the Company and cautions against consequences of non-compliance.

7. **MEANS OF COMMUNICATION**

The Company recognizes the importance of two way communication with shareholders and of giving a balanced reporting of results and progress. Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, major steps taken are as under:

Financial Results:

The quarterly, half-yearly and yearly financial results of the Company are published in two newspapers i.e. 'Business Standard (English) and 'Desh Sewak' (Punjabi), and are also submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) within the statutory time period from the conclusion of the Board Meeting(s) at which these were considered and approved. Financial results are also uploaded on the Company's website www.sportking.co.in.

Other Information:

The Company discloses to the stock exchanges, all information required to be disclosed under Regulation 30 of the SEBI Listing Regulations, including material information having a bearing on the performance/operations of the Company and other price sensitive information. All information is being filed electronically on the online portal of NSE's Electronic Application Processing System (NEAPS) and BSE's Listing Centre.

Website:

The Company's website www.sportking.co.in contains a dedicated 'Investors' section where information for all the stakeholders is available. The Quarterly/Annual Financial Results, annual reports, investors/analysts presentations, press releases, investor forms, stock exchange information, shareholding pattern, corporate governance, corporate benefits, polices, investors' contact details, updated credit ratings, etc. are posted on the website of the company.

Investor Grievance Redressal Mechanism and Communication Channels:

The Company is committed to providing prompt and effective redressal of investor grievances through structured communication channels. SEBI has established the SCORES (SEBI Complaints Redress System), a centralized web-based platform through which shareholders can lodge complaints against the Company. The Company promptly uploads the action taken on such complaints, which can be viewed by the concerned shareholders. Investors and the Company may also exchange clarifications through the SCORES portal.

Further, SEBI has introduced a common Online Dispute Resolution (ODR) Portal (https://smartodr.in/login) to facilitate resolution of disputes arising in the Indian securities market. Investors may access this platform after exhausting remedies available with the Company/Registrar and Transfer Agent and the SCORES mechanism.

In addition, the Company has designated a dedicated email ID, cs@sportking.co.in, exclusively for investor relations, which is prominently displayed on the Company's website www.sportking.co.in to ensure timely communication with shareholders.

Analysts/Institutional Investors Presentations

During the year under review, earnings call or meeting/interaction with analysts/ institutional investors occurred. All official news/ press releases and presentations made to analysts/ institutional investors, as submitted by the Company to the stock exchanges i.e. NSE and BSE, are readily accessible on the Company's website at https://shrirampistons.com/ under 'Investors' tab. Additionally, audio recordings and transcripts of post-earnings/quarterly calls (wherever applicable) are diligently submitted to NSE and BSE and promptly uploaded on the Company's website in compliance with SEBI Listing Regulations.

8. GENERAL SHAREHOLDERS INFORMATION

I).	**37th Annual General Meeting**	
	Date	12th September 2026
	Time	10.30 AM
	Venue	Registered Office at Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120 (Punjab)
II).	**Financial Calendar (Tentatative)**	2026-27
	First Quarter Results (Unaudited)	On or before 14th August, 2026
	Second Quarter Results (Unaudited)	On or before 14th November, 2026
	Third Quarter Results (Unaudited)	On or before 14th February, 2027
	Fourth Quarter (Audited)	On or before 30th May, 2027
III).	**Dates of Book Closure**	06th September 2026 to 12th September 2026
IV).	**Dividend Payment Date**	Within 30 days after declaration of dividend.
V).	**Unclaimed Dividend (o/s as on 31.03.2026)** **For FY 2024-25** **For FY 2023-24**	 Rs 15,99,435/- Rs 12,66,009/-

Unclaimed Dividend/Shares

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

As on the date, no shares or unpaid dividends of the Company have been transferred to the Investor Education and Protection Fund (IEPF).

Dividend History for the last 10 Financial Years

Below table highlights the history of Dividend declared by the Company in the last 10 financial years:

Sr. No.	Financial Year	Date of Declaration of Dividend	Dividend declared per share
1.	2015-16	No dividend Declared	Nil
2.	2016-17	No dividend Declared	Nil
3.	2017-18	No dividend Declared	Nil
4..	2018-19	No dividend Declared	Nil
5.	2019-20	No dividend Declared	Nil
6.	2020-21	No dividend Declared	Nil
7.	2021-22	No dividend Declared	Nil
8.	2022-23	No dividend Declared	Nil
9.	2023-24	17th August 2024	Rs 5/-
10.	2024-25	30th August 2025	Rs 1/-

VI. Name and address of Stock Exchanges at which the securities of the Company are listed

BSE Limited Phiroze Jeeheebhoy Towers, Dalal Street, Mumbai-400001	National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai– 400051*
Script Code: 539221	**Symbol: SPORTKING**

The Company has paid listing fees for the financial year 2026-27 within due time.

VII. DISTRIBUTION OF EQUITY SHAREHOLDERS AS ON 31ST MARCH 2026.

RANGE No. of Shares	Shareholders		Shares	
	No.(s)	% to Total No.(s)	No(s).	% to Total Shares
1-5000	22504	97.47	7610431	5.99
5001-10000	283	1.23	2135187	1.68
10001-20000	141	0.61	2111537	1.66
20001-30000	37	0.16	911100	0.72
30001-40000	38	0.17	1414871	1.11
40001-50000	21	0.09	956982	0.75
50001-100000	28	0.12	1988792	1.57
100000 and Above	37	0.16	109943100	86.52
TOTAL	**23089**	**100.00**	**127072000**	**100.00**

VIII. REGISTRAR AND SHARES TRANSFER AGENTS (RTA)

Beetal Financial & Computer Services Private Ltd.
3rd Floor, 99 Madangir
Behind Local Shopping Centre
Near Dada Harsukhdas Mandir
New Delhi 110062
Phone: 011-29961281, Fax: 011-29961284
Email: beetalrta@gmail.com

SHARE TRANSFER SYSTEM

Trading in equity shares of the Company through the recognized stock exchange(s) is permitted only in dematerialized form. Request for transmission/dematerialization of shares in physical form is normally processed within 12 to 15 days from the date of receipt if the documents are complete in all respect. The Securities and Exchange Board of India (SEBI) with effect from 1st April 2019, has barred the physical transfer of shares of listed companies and mandated transfers only in demat mode. In terms of applicable provisions of the SEBI Listing Regulations, as amended from time to time, transfer (including transfer of shares under special window of lodgment open Upto February 4, 2027), transmission and transposition of securities shall be effected only in dematerialized form. SEBI w.e.f. April 2, 2026, has dispensed with the requirement of Letter of Confirmation (LOC) and enabled direct credit of verified securities to investors' demat accounts.

Apart from the necessary mandated documents, the following additional documents are to be submitted by the Shareholders/ Claimants:

- Form ISR-4
- Demat Conversion Request Form ('DCRF') - NSDL or Demat Request Form ('DRF') - CDSL, as provided by the Depositories.
- Latest Client Master List ('CML') of the demat account in the same order of names, not older than two months and duly attested by the Depository Participant ('DP') where the demat account is held.
- Signature of Beneficiary owner(s) of the demat account required to be attested by the DP on DCRF/DRF as applicable and CML.

The Company has aligned its processes with these regulatory changes to ensure faster and more efficient handling of Shareholder requests.

SPECIAL WINDOW FOR RE-LODGMENT OF TRANSFER REQUESTS OF PHYSICAL SHARES

To facilitate ease of investing for investors and to secure their rights in the securities purchased by them SEBI, vide Circular No. SEBI/HO/MIRSD/MIRSDPoD/P/CIR/2025/97 dated July 2, 2025, had permitted opening of a special window to facilitate relodgment of transfer requests in respect of physical share certificates. This facility is available to shareholders who had originally lodged their transfer deeds prior to April 1, 2019, and whose requests were rejected or returned due to deficiencies in documentation. Eligible shareholders may re-lodge such transfer requests with the Company's RTA during the specified period. This window was operational from July 7, 2025 to January 6, 2026.

SEBI opened another special window for a period of one year, from February 5, 2026 to February 4, 2027 for transfers effected under his facility with shares to be credited only in dematerialized form to the account of the transferee. Such securities will be subject to a mandatory lockin of one year from the date of registration of transfer, during which they cannot be transferred, lienmarked or pledged. The RTA will process only those cases that are complete in all respects and compliant with SEBI guidelines.

Shareholders are advised to refer the latest SEBI guidelines/ circular issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC detail updated at all times to avoid freezing of their folios as prescribed by SEBI.

SEBI SCORES PORTAL

SEBI has requested shareholders to approach the Company directly at the first instance for their grievance. If the Company does not resolve the complaint of the shareholders within stipulated time, then they may lodge the complaint on the SEBI SCORES Portal for further action. The revised framework for handling and monitoring of investor complaints received through SCORES Portal by the Company and designated stock exchanges is provided by SEBI in its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February 2026.

ONLINE DISPUTE RESOLUTION PORTAL (SMART ODR)

SEBI vide its Circular No. SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/ CIR/2023/195 dated December 28, 2023) issued guidelines for members/shareholders to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. If the grievance is not redressed satisfactorily by the Registrar and Transfer Agent, the member may escalate the same through:

- SCORES Portal in accordance with the SCORES guidelines; and
- If the member is not satisfied with the outcome, dispute resolution can be initiated through the 'Online Dispute Resolution (ODR) Portal' at https:// smartodr.in/login.

IX. DEMATERIALIZATION OF SHARES

The International Securities Identification Number (ISIN) of equity shares of the Company is **INE885H01029.** The Shareholders are required to submit demat/remat request to depository participants (DP) with whom they maintain a demat account. DP sends the request for demat of shares along with physical share certificates to Registrar & Transfer Agents of the Company. The Registrar liaison with DP and NSDL/CDSL and acknowledge the receipt of physical shares for demat and verify the genuineness. After verification the RTA updates the final demat register. The RTA forwards the confirmation report to CDSL/NSDL or rejection report as the case may be. As on 31st March 2026, 98.61% of shares held in dematerialized form and the rest in physical form.

X. OUTSTANDING GDRS, ADRS, WARRANTS OR ANY CONVERTIBLE INSTRUMENTS ETC: Nil

XI. DECLARATION AND CERTIFICATE

- Declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct is annexed herewith as a part of the report.
- Pursuant to Regulation 17(8) of the SEBI Listing Regulations, the Managing Director and the Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed and taken on record by the Board
- Compliance Certificate for Corporate Governance from Practicing Company Secretaries is annexed herewith as a part of the report.
- Certificate from Practicing Company Secretaries that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed herewith as a part of the report.

XII. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A).

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

XIII. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR.

During the year, there were no instances where Board had not accepted any recommendation of any Committee of the Board which is mandatorily required

XIV. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITORS AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART.

Details relating to fees paid by the company to the Statutory Auditors are given in Note No. 32 of Financial Statements. Since the Company does not have any subsidiary, the provision on Consolidated Basis is not applicable to the Company. The Company also not paid any fees to the network firm/network entity of which the statutory auditor is a part.

XV. PLANT LOCATIONS

Village Kanech, Near Sahnewal, G.T. Road, Ludhiana – 141120

Village Barmalipur, Near Doraha, G.T. Road, Ludhiana – 141416

Village Jeeda, Kotkapura Road, Distt. Bathinda – 151201

Village Mouza Aranga, Khordha, Odisha-750257 (Under Installation)

XVI ADDRESS FOR CORRESPONDENCE:

Registered and Corporate Office:
Mr. Lovlesh Verma
Company Secretary & Compliance Officer
Village Kanech, Near Sahnewal
G.T Road, Ludhiana -141120
Phone:0161-2845456, Email: cs@sportking.co.in

Registrar & Transfer Agent:
Beetal Financial & Computer Services Private Ltd.
3rd Floor, 99 Madangir
Behind Local Shopping Centre
Near Dada Harsukhdas Mandir
New Delhi 110062
Phone: 011-29961281, Fax: 011-29961284
Email: beetalrta@gmail.com

XVII. CREDIT RATING

The Company has been accorded credit ratings by CRISIL, a leading credit rating agency. As per CRISIL's rating letter dated 21st May 2025, the Long-Term Rating of the Company has been upgraded from "CRISIL A/Positive" to "CRISIL A+/Stable", reflecting improved creditworthiness and financial stability. The Short-Term Rating has been reaffirmed at "CRISIL A1". The details of the rating in respect of the Company's banking facilities are as under:

Sr. No	Name of the Facility	Amount (Rs in Crs)	Rating	Rating Action
1.	Long Term Rating	935.00	Crisil A+/Stable	Upgraded from CRISIL A/Positive" to "CRISIL A+/Stable"
2.	Short Term Rating	65.00	CRISIL A1	Ratings Reaffirmed
	Total	**1000.00**		

Further all the External Credit ratings are available on Company's website www.sportking.co.in.

XVIII. OTHER DISCLOUSRE

- As per the requirement of Regulation 46 of Listing Regulations, the Company maintains a functional website https://sportking.co.in that contains relevant information updated in time and complies with SEBI (LODR) Regulations, 2015.
- All contracts / arrangements / transactions entered into by the Company with related parties during the financial year 2025-26, were in the ordinary course of business and on an arm's length basis. The related party transactions undertaken by the Company complied with the provisions set out in the Act, read with the rules issued thereunder and Regulation 23 of the SEBI Listing Regulations. During the financial year 2025-26, the Audit Committee has approved related party transactions along with granting omnibus approval valid for a period not exceeding one year in line with the policy of the Company. The Audit Committee reviews on a quarterly basis the details of related party transactions entered into by the Company pursuant to the omnibus approval given. The Company had not entered into any materially significant related party transaction and none of the related party transactions entered into have any potential conflict with the interest of the Company The Policy on related party transactions, adopted by the Board in accordance with the provisions of Regulation 23 of the Listing Regulations, has been uploaded on the website of the Company https://sportking.co.in/wp-content/uploads/2026/02/Related-Party-Transaction-Policy.pdf. As per the SEBI Listing Regulations, the Company has also submitted the disclosures of Related Party transactions to the Stock Exchanges in the prescribed format and also published it on the website of the Company
- The requirement of policy for determining 'material' subsidiaries is not applicable to the Company as it does not have any Subsidiary Company.
- No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. During the Period under review the company has complied with all provisions of the Act, Rules, Regulations, Guidelines and Standards.
- The Company has established a Vigil Mechanism/Whistle Blower Policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud etc. and the same has been disclosed on the website of the Company https://sportking.co.in/wp-content/uploads/2024/11/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY.pdf Further no personnel has been denied access to the Audit Committee.

- Pursuant to Regulation 9 of the Regulations, the Board of Directors has approved the Policy for Preservation of Documents, which is available on https://sportking.co.in/wp-content/uploads/2022/07/Preservation-and-Archival-Policy-Revised.pdf.
- Terms and conditions of appointment/re- appointment of Independent Directors are available on the Company's website and can be accessed through https://sportking.co.in/wp-content/uploads/2022/07/Terms-and-Conditions-of-Appoinment-of-Independent-Directors.pdf.
- The Senior Management of the Company has made disclosures to the Board of Directors confirming that no material financial and commercial transactions, have been entered into by them with the Company, where they have personal interest, that may have a potential conflict of interest with interests of the Company at large.
- The Company has complied with the applicable Accounting Standards/Indian Accounting Standards (IND AS) prescribed by the Institute of Chartered Accountants of India ('ICAI') in the preparation of its financial statements. The Company has not adopted any treatment different from that prescribed under the applicable standards.
- The Company has a Risk Management Committee responsible for overseeing risk identification, assessment and mitigation. The Committee periodically reviews the effectiveness of the risk management framework to ensure that executive management controls risks through appropriately designed systems and processes.
- The Company deals in commodity and foreign exchange in ordinary course of business and has adequate risk management mechanism. Foreign Exchange Risk and Commodity Price Risk along with Foreign Currency exposure is given under Note No. 50 of Notes to the Audited Standalone Financial Statements forming part of the Annual Report.
- During the financial year 2025–26, the Company has not granted any loans or advances in the nature of loans to firms/ companies in which Directors are interested, in terms of Part C (10)(m) of Schedule V of the SEBI Listing Regulations.
- A Practicing Company Secretary conducts a Reconciliation of Share Capital Audit to reconcile the total admitted equity share capital of the Company with the total issued and listed equity share capital, as held with the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') (collectively referred to as the 'Depositories'). The Audit Report confirms that the total issued and paid-up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL. The said Audit Report is submitted to the stock exchanges on a quarterly basis within the prescribed timelines.
- The Company has submitted quarterly compliance reports on Corporate Governance, duly signed by the Company Secretary and Compliance Officer, to the stock exchanges, i.e., National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'), where the securities of the Company are listed. The said reports were also placed before the Board of Directors of the Company.
- The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the Listing Regulations.
- The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act and the Rules framed thereunder, including constitution of the Internal Complaints Committee (ICC). The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company had constituted an Internal Complaints Committee.

  The details of complaint are as under

  a. Number of complaints filed during the financial year: **Nil**

  b. Number of complaints disposed of during the financial year: **Nil**

  c. Number of complaints pending as of the end of the financial year: **Nil**
- There are no Loans and advances in the nature of loans given to firms/companies in which directors are interested.

- Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has attached the Business Responsibility and Sustainability Report (BRSR) as part of this Annual Report.
- As per Regulation 25 (10) of SEBI (LODR) Regulations, 2015 company has taken Directors and Officers insurance ('D and O insurance') Policy.
- The Board of Directors in its meeting held on May 16th, 2026 has recommended a dividend of Rs. 1/- each on fully paid up equity shares of the Company subject to approval of shareholders in the ensuing Annual General Meeting.
- During the year under review there was no requirement to transfer to IEPF as there are no unclaimed dividends, outstanding for consecutive 7 (seven) years.
- Pursuant to the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) the Company has formulated a Dividend Distribution Policy and it is available on Company's website i.e. https://sportking.co.in/wp-content/uploads/2025/11/Dividend-Distribution-Policy.pdf
- The Company follows Ind AS issued by The Institute of Chartered Accountants of India. The Statutory Auditors of the Company have issued an Audit Report with un-modified opinion on the Audited Financial Results of the Company for the Financial Year ended 31st March, 2026.
- The Company complied with all the requirement of corporate governance report said out in the schedule V of SEBI (LODR) Regulations, 2015.
- As per SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/B dated 25/01/2022, those shares are transferred to Suspense Escrow Account, in relation to whom the shareholders has not issued confirmation letter of DEMAT within 120 days after issuance of duplicate. The Company has opened **"SPORTKING INDIA LTD SUSPENSE ESCROW DEMAT ACCOUNT"** for this purpose and 1000 Equity shares lying in said account.
- The company has not entered into any transaction of a material nature with the Promoters, the Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the company. The company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the year under review.
- No Equity Share of the Promoters of the Company are under lock in as on March 31, 2026.

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the code of conduct adopted by the Company for the Financial Year 2025-26.

By Order of the Board
For Sportking India Limited

(Munish Avasthi)
Chairman and Managing Director
DIN: 00442425

Place: Ludhiana
Date: 01.08.2026

Regd. Office:
Village Kanech, Near Sahnewal
GT Road, Ludhiana-141120 (Punjab)

COMPLIANCE CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To
The Members of
Sportking India Limited
Village Kanech, Near Sahnewal,
GT Road, Ludhiana-141120

In terms of Regulation 17(8) and Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

(a) We have reviewed the Audited Financial Statements, read with the cash flow statement of Sportking India Limited for the year ended 31st March, 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 may be misleading;

(ii) These statements present a true and fair view of the Company's affairs and are in compliance with current 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 in violation of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for the financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 steps taken for rectifying these deficiencies.

(d) We have indicated to the Auditors and Audit Committee that:

(i) There was no significant changes, if any, in the internal control over the financial reporting during the year.

(ii) All significant changes, if any, in accounting policies made during the year and that the same has been disclosed in the notes of accounts to the Financial Statements; and

(iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Sandeep Sachdeva
Chief Financial Officer

Munish Avasthi
Chairman & Managing Director
DIN: 00442425

Place: Ludhiana
Dated:16.05.2026

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS

To
The Members of
Sportking India Limited, Village Kanech
Near Sahnewal, GT Road
Ludhiana-141120

We have examined the compliance of conditions of corporate governance by Sportking India Limited ("the Company") for the year ended 31st March, 2026, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

Management's Responsibility:

The Compliance of the conditions of Corporate Governance is the responsibility of the Management.

Auditors' Responsibility:

Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Conclusion:

In our opinion and to the best of our information and according to the examination of relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of SEBI Listing Regulations.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Lal Ghai & Associates
Company Secretaries
CS Sumit Ghai
FCS-10253
CP No:12814

Place: Ludhiana
Dated: 01.08.2026
UDIN: F010253H000995151

ANNEXURE TO CORPORATE GOVERNANCE REPORT CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(In terms of Regulation 34(3) read with Para C, Sub Para 10 (i) of the Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015)

To
The Members of
Sportking India Limited,
Village Kanech
Near Sahnewal, GT Road
Ludhiana-141120

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Sportking India Limited produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities 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 Director's Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the directors on the Board of the Company for the Financial Year ending on 31st March, 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.

Sr. No.	Name of the Directors	DIN	Date of appointment in Company
1	Mr. Munish Avasthi	00442425	25/10/1999
2	Mrs. Anjali Avasthi	06911970	03/09/2022
3	Mr. Puneet Singhania	01551462	02/08/2025
4	Mr. Chetan Rupal	00253536	02/08/2025
5	Dr. Sandeep Kapur	07016726	03/11/2018
6	Mrs. Harpreet Kaur Kang	03049487	17/10/2020

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 Lal Ghai & Associates
Company Secretaries
CS Sumit Ghai
FCS-10253
CP No:12814

Place: Ludhiana
Dated: 01.08.2026
UDIN: F010253H000995160

INDEPENDENT AUDITORS' REPORT

To the Members of

Sportking India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sportking India Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made 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 Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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. We have determined that there are no key audit matters to communicate in our report.

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 Directors' Report including annexures, if any, thereon, but does not include the financial statements and our auditor's report thereon. The Directors' Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and 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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 scepticism 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 financial controls 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 system 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.

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 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 in terms of sub section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. (A) As required by Section 143(3) of the Act, based on our audit, 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, 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 Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the company.

(B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(a) The company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 37 to the financial statements.

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

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, 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 or entity, 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 or entity, 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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(e) The final dividend paid by the Company during the year in respect of the dividend declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 58 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.

(f) Based on our examination which included test checks and according to the information and explanations given to us, 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.

(C) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of information and explanations provided to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

(Sanjay Vasudeva)
Partner
Membership No.: 090989
UDIN: 26090989OHFNAY7727

Place: Ludhiana
Dated: May 16, 2026

ANNEXURE – "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sportking India Limited of even date)

(i) In respect of 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 and relevant details of right of use assets.

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

(b) The Company has adopted a policy of physical verification of all the items of Property, Plant and Equipment so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, buildings of all the locations and Plant & Machinery installed at unit located at Village Kanech, Near Sahnewal, G. T. Road, Ludhiana were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements under Property, Plant and Equipment are held in the name of the Company. However, in case of industrial land situated at Orissa, which has been taken on lease from Orissa Industrial Infrastructure Development Corporation for a period of 90 years during the current financial year for a new project and for which right-of use- asset amounting to ₹ 5529.66 Lakhs has been recognized in the financial statements in accordance with Ind AS 116, lease deed has not yet been executed in favour of the Company. As per the terms and conditions of the land allotment letter, the lease deed in respect of said land shall be executed after implementation of the project for the remaining years from the date of possession of the handing over of the land or for the balance lease period as appropriate.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.

(e) Based on the information and explanations given to us, 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) According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory have been noticed on physical verification of inventories when compared with books of account.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, during the year, from banks on the basis of security of inventories and trade receivable (i.e., current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-a-vis books of accounts. The details of the same have been appropriately disclosed in note 51 to the financial statements.

(iii) According to the information and explanations given to us, we report that the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investment during the year and has given unsecured loans to the employees during the year, in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans as below:

Particulars	Amount
Aggregate amount of loan given during the year	₹ 11.36 Lakhs
Balance outstanding as at 31st March, 2026	Nil

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, investment made and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments /receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the act in respect of investment made. Further, the Company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans as specified under section 185 of the act.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year covered under the provisions of sections 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under.

(vi) We have broadly reviewed the cost records 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 Act and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of such records with a view to determine whether they are accurate or complete.

(vii) In respect of Statutory dues:

(a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues provided in books of account, to the appropriate authorities.

There were no undisputed amounts payable in respect of statutory dues referred above on the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, the details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

(Amount ₹ in Lakhs)

Name of Statute	Nature of dues	Financial Year to which it relates	Amount Involved	Amount Unpaid	Forum at which dispute is pending
Income Tax Act, 1961	Income Tax	2015-16	304.75	304.75	Commissioner of Income Tax (Appeals)

(viii) According to the information and explanations given to us and records of the company examined by us, there are 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).

(ix) (a) According to the information and explanations given to us and records of the company examined by us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, the company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us, the term loan has been applied for the purpose for which loans were obtained.

(d) Based on an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the company. Therefore, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the company. Therefore, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) (a) In our opinion and according to the information and explanations given to us and records of the Company examined by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and therefore reporting under clause 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 convertible) and therefore reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) According to the information and explanations given to us, examination of records and as represented to us by the management, the Company has not received any whistle blower complaint during the year.

(xii) According to the information and explanation given to us, the company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details of the 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) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or person connected with them. Therefore, reporting under clause 3(xv) of the Order is not applicable.

(xvi) (a) Based on the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore reporting under clause 3(xvi)(a) of the order is not applicable.

(b) Based on information and explanation given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; and therefore reporting under clause 3(xvi)(b) of the Order is not applicable.

(c) Based on information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and therefore reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) Based on information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and therefore reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 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) (a) On the basis of examination of records of the company, there are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

(b) The Company has not undertaken any ongoing project for the Corporate Social Responsibility activities during the year. Therefore, requirement of transferring of amount remaining unspent in compliance with the provisions of sub-section (6) of section 135 of Companies Act is not applicable to the company.

(xxi) The consolidated financial statements are not applicable to the company. Therefore, reporting under clauses 3(xxi) of the order is not applicable.

.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

(Sanjay Vasudeva)
Partner
Membership No.: 090989
UDIN: 26090989OHFNAY7727

Place: Ludhiana
Dated: May 16, 2026

Annexure – "B" TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Sportking India Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of Sportking India Limited ("the Company") as of March 31, 2026 in conjunction with our audit of financial statements of company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting of the company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

(Sanjay Vasudeva)
Partner
Membership No.: 090989
UDIN: 26090989OHFNAY7727

Place: Ludhiana
Dated: May 16, 2026

BALANCE SHEET AS AT 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025 (Restated)	As at 1st April, 2024 (Restated)
I ASSETS				
1. Non-Current Assets				
(a) Property,Plant and Equipment	3 (a)	67,368.43	75,823.81	78,512.74
(b) Capital Work-in-Progress	54	1,470.80	494.02	-
(c) Right of Use Asset	3 (b)	5,562.85	74.10	53.60
(d) Other Intangible Assets	3 (c)	7.60	12.75	17.93
(e) Financial Assets				
Investments	4 (a)	1,410.50	-	-
Other Financial Assets	4 (b)	2,310.89	2,286.88	1,951.86
(f) Income Tax Assets (Net)	24 (b)	215.32	210.05	206.80
(g) Other Non-Current Assets	5	1,510.26	181.61	77.67
Total Non Current Assets		**79,856.65**	**79,083.22**	**80,820.60**
2. Current Assets				
(a) Inventories	6	39,128.97	43,491.89	64,223.98
(b) Financial Assets				
(i) Trade Receivables	7	39,619.66	45,632.20	35,606.32
(ii) Cash and cash equivalents	8	67.32	49.95	144.58
(iii) Bank Balances Other than (ii) above	9	41.61	25.31	1.00
(iv) Other Financial Assets	10	7,226.62	3,886.64	6,098.33
(c) Other Current Assets	11	8,496.54	5,421.44	9,141.72
Total Current Assets		**94,580.72**	**98,507.43**	**1,15,215.93**
TOTAL ASSETS		**1,74,437.37**	**1,77,590.65**	**1,96,036.53**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12	1,286.80	1,286.80	1,286.80
(b) Other Equity	13	1,10,303.24	99,403.88	88,675.01
Total Equity		**1,11,590.04**	**1,00,690.68**	**89,961.81**
Liabilities				
1. Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	29,524.92	35,267.06	39,443.54
(ia) Lease liabilities	15	888.13	65.58	45.95
(b) Provisions	16	1,538.04	1,727.05	1,519.00
(c) Deferred Tax Liabilities (Net)	17	1,760.00	2,454.00	2,597.00
Total Non-Current Liabilities		**33,711.09**	**39,513.69**	**43,605.49**
2. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	16,742.40	23,208.60	48,038.36
(ia) Lease Liabilities	19	15.89	14.45	12.48
(ii) Trade Payables	20			
(A) Total Outstanding dues of Micro Enterprises and Small Enterprises		616.92	395.88	161.05
(B) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		5,483.20	8,709.12	10,356.00
(iii) Other Financial Liabilities	21	4,353.39	3,090.01	2,511.40
(b) Other Current Liabilities	22	1,171.83	536.24	525.31
(c) Provisions	23	200.04	153.83	96.74
(d) Current Tax Liabilities (Net)	24 (a)	552.58	1,278.15	767.89
Total Current Liabilities		**29,136.24**	**37,386.28**	**62,469.23**
TOTAL EQUITY AND LIABILITIES		**1,74,437.37**	**1,77,590.65**	**1,96,036.53**
See accompanying notes to the financial statements				

As per our report of even date attached
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

Sanjay Vasudeva
Partner
M. No. 090989

Place: Ludhiana
Date : May 16, 2026

For and on behalf of the Board of Directors

Munish Avasthi
Chairman-cum-Managing Director
DIN No. 00442425

Chetan Rupal
Executive Director
DIN No. 00253536

Sandeep Sachdeva
Chief Financial Officer

Lovlesh Verma
Company Secretary
ACS-34171

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Note No.	For the year ended 31st March, 2026	For the year ended 31st March, 2025 (Restated)
(I) Revenue from Operations	25	2,49,585.66	2,52,422.94
(II) Other Income	26	1,460.11	2,678.71
(III) Total Income (I+II)		**2,51,045.77**	**2,55,101.65**
(IV) Expenses:			
Cost of Materials Consumed	27	1,70,550.82	1,75,508.42
Purchases of stock-in-trade	28	232.98	126.55
Changes in Inventories of Work-in-Progress and Finished Goods	29	(575.17)	(1.82)
Employee Benefits Expenses	30	14,244.25	14,265.32
Finance Costs	31	4,512.84	5,026.32
Depreciation and Amortisation Expense	3(a),3(b),3(c)	9,449.63	8,963.52
Other Expenses	32	36,535.52	35,843.82
Total Expenses		**2,34,950.87**	**2,39,732.13**
(V) Profit before Exceptional Items and Tax (III-IV)		**16,094.90**	**15,369.52**
(VI) Exceptional Items		-	-
(VII) Profit before tax (V-VI)		**16,094.90**	**15,369.52**
(VIII) Tax Expense:	33		
Current tax		4,941.00	4,227.00
Tax adjustment related to earlier years		(46.48)	(1.08)
Deferred tax		(772.00)	(171.00)
Total Tax		**4,122.52**	**4,054.92**
(IX) Profit for the year (VII-VIII)		**11,972.38**	**11,314.60**
(X) Other Comprehensive Income			
(a) (i) Items that will not be reclassified to Profit or Loss			
-Remeasurement of Employee Defined Benefit Plans		309.89	111.79
(ii) Income tax relating to items that will not be		-	
reclassified to Profit or Loss	33	(78.00)	(28.00)
Total Other Comprehensive Income for the year		**231.89**	**83.79**
(XI) Total Comprehensive Income for the year(IX+X)		**12,204.27**	**11,398.39**
(XII) Earnings per Equity Share of face value of ₹1/- each			
Basic (₹)	36	**9.39**	**8.88**
Diluted (₹)		**9.39**	**8.88**
See accompanying notes to the financial statements			

As per our report of even date attached
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

Sanjay Vasudeva
Partner
M. No. 090989

Place: Ludhiana
Date : May 16, 2026

For and on behalf of the Board of Directors

Munish Avasthi
Chairman-cum-Managing Director
DIN No. 00442425

Chetan Rupal
Executive Director
DIN No. 00253536

Sandeep Sachdeva
Chief Financial Officer

Lovlesh Verma
Company Secretary
ACS-34171

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

a) Equity Share Capital

Particulars	Amount
Balance as at 1st April, 2024	**1,286.80**
Change in equity share capital during the year	-
Balance as at 31st March, 2025	**1,286.80**
Change in equity share capital during the year	-
Balance as at 31st March, 2026	**1,286.80**

b) Other Equity

Particulars	Equity Component of Compound Financial Instruments (Inclusive of Securities Premium)*	Reserve and Surplus			Total
		Capital Redemption Reserve	Retained Earnings	General Reserve	
Balance as at 1st April, 2024	7,733.04	318.52	80,901.18	3.00	88,955.74
Impact of Change in Accounting Policy (Refer note 62)	-	-	(280.73)	-	(280.73)
Restated Balance as at 1st April 2024	7,733.04	318.52	80,620.45	3.00	88,675.01
Profit for the year	-	-	11,314.60	-	11,314.60
Other Comprehensive Income for the year- Remeasurement of Employee Defined Benefit Plans	-	-	83.79	-	83.79
Final dividend to equity shareholders for the year ended March 31, 2024 @ ₹0.50/-per share	-	-	(635.36)	-	(635.36)
Dividend to preference shareholders for the year ended March 31, 2024 @ ₹0.50/-per share	-	-	(34.16)	-	(34.16)
Balance as at 31st March, 2025	**7,733.04**	**318.52**	**91,349.32**	**3.00**	**99,403.88**
Balance as at 1st April, 2025	7,733.04	318.52	91,349.32	3.00	99,403.88
Profit for the year	-	-	11,972.38	-	11,972.38
Other Comprehensive Income for the year- Remeasurement of Employee Defined Benefit Plans	-	-	231.89	-	231.89
Final dividend to equity shareholders for the year ended March 31, 2025 @ ₹ 1-per share	-	-	(1,270.75)	-	(1,270.75)
Dividend to preference shareholders for the year ended March 31, 2025 @ ₹0.50/-per share	-	-	(34.16)	-	(34.16)
Balance as at 31st March, 2026	**7,733.04**	**318.52**	**1,02,248.68**	**3.00**	**1,10,303.24**

* Equity Component of Compound Financial Instruments (Inclusive of Securities Premium) includes equity component of ₹1613.28 Lakhs in respect of preference shares redeemed till 31st March, 2026 (₹1613.28 Lakhs till 31st March, 2025).

See accompanying notes to the financial statements

As per our report of even date attached
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

For and on behalf of the Board of Directors

Munish Avasthi
Chairman-cum-Managing Director
DIN No.00442425

Chetan Rupal
Executive Director
DIN No.00253536

Sanjay Vasudeva
Partner
M. No. 090989

Sandeep Sachdeva
Chief Financial Officer

Lovlesh Verma
Company Secretary
ACS-34171

Place: Ludhiana
Date : May 16, 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A.	**CASH FLOWS FROM OPERATING ACTIVITIES :**		
	Profit before tax	**16,094.90**	**15,369.52**
	Adjustments for :		
	Depreciation and amortisation expense	9,449.63	8,963.52
	Interest on liability component of compound financial instruments	234.91	66.57
	Amortisation of processing charges	18.73	24.88
	Unrealised foreign exchange (gain)/ loss on assets and liabilities	1,657.90	(19.99)
	Interest & other financial charges	4,259.21	4,934.87
	Sundry balances (written back)/written off	(14.35)	9.61
	Allowance for expected credit Loss /doubtful recoverables	794.57	1,278.40
	Interest income	(173.40)	(183.07)
	Difference on account of modification of terms of financial liabilities	-	512.83
	Property, plant & equipment written off	204.56	39.87
	(Profit)/Loss on sale of property, plant and equipment (net)	(26.33)	(172.41)
	Operating Cash flows before Changes In Working Capital	**32,500.33**	**30,824.60**
	Adjustments for Working Capital Changes :		
	(Increase(-))/Decrease (+) in inventories	4,362.92	20,732.10
	(Increase (-))/Decrease (+) in trade receivables	7,801.15	(9,932.11)
	(Increase (-))/Decrease (+) in non-current assets	(1.63)	(312.32)
	(Increase (-))/Decrease (+) in current assets (other than trade receivables)	(7,151.43)	4,802.41
	Increase (+)/(Decrease (-)) in non-current liabilities & provisions	(189.01)	208.05
	Increase (+)/(Decrease (-)) in trade payables	(2,991.03)	(1,412.04)
	Increase (+)/(Decrease (-)) in current liabilities & provisions (Other than Trade Payables)	490.71	270.62
	Cash Generated from/(used in) Operating Activities	**34,822.01**	**45,181.31**
	Income taxes paid	(5,625.37)	(3,718.91)
	Net Cash flows from/(used in) Operating Activities	**29,196.64**	**41,462.40**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES :**		
	Payment for purchase of property,plant and equipment (including capital work-in-progress) (after adjustment of advances and creditors for capital expenditure)	(3,394.16)	(6,988.63)
	Payment for purchase of Non-current Investment	(1,410.50)	-
	Proceeds from sale of property,plant and equipment	30.95	256.08
	Payment for Leasehold Land	(4,721.95)	-
	Investment in fixed deposits not considered as cash and cash equivalents	(0.12)	(12.06)
	(Increase)/decrease in other bank balances not considered as cash & cash equivalents	(15.99)	(12.66)
	Interest received	136.26	85.63
	Net Cash flows from/(used in) Investing Activities	**(9,375.51)**	**(6,670.64)**

Particulars		For the year ended 31st March, 2026	For the year ended 31st March, 2025
C.	**CASH FLOWS FROM FINANCING ACTIVITIES :**		
	Payment of dividend on equity shares	(1,254.73)	(622.70)
	Payment of dividend on preference shares	(34.16)	(34.16)
	Payment of lease liabilities	(14.53)	(14.15)
	Proceeds from non-current borrowings	130.68	4,277.50
	Repayment of non-current borrowings	(8,949.86)	(7,910.80)
	Proceeds/(Repayment) from current borrowings(net)	(5,401.40)	(25,622.57)
	Payment of Interest on lease liabilities	(7.33)	(7.21)
	Payment of Interest & other financial charges	(4,272.43)	(4,952.30)
	Net Cash flows from/(used in)Financing Activities	**(19,803.76)**	**(34,886.39)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	**17.37**	**(94.63)**
	Cash and cash equivalents at the beginning of the year	49.95	144.58
	Cash and cash equivalents at the end of the year #	**67.32**	**49.95**
	# Refer note 8 for components of cash and cash equivalents		

Notes:

1. Cash flows from / (used in) operating activities includes amount spent towards corporate social responsibility amounting to ₹ 283.69 Lakhs (Previous Year ₹ 530.73 Lakhs). Also refer note 53.
2. Refer note 59 for reconciliation of liabilities arising from financing activities and material non-cash investing and financial transactions.
3. The above statement of cash flows has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7.

See accompanying notes to the financial statements

As per our report of even date attached
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

Sanjay Vasudeva
Partner
M. No. 090989

Place: Ludhiana
Date : May 16, 2026

For and on behalf of the Board of Directors

Munish Avasthi
Chairman-cum-Managing Director
DIN No.00442425

Chetan Rupal
Executive Director
DIN No.00253536

Sandeep Sachdeva
Chief Financial Officer

Lovlesh Verma
Company Secretary
ACS-34171

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note-1 Corporate Information

Sportking India Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 15th February 1989 and has its registered office at Village Kanech, Near Sahnewal G.T. Road, Ludhiana, Punjab -141120. The company is engaged in manufacturing of Cotton Yarn, Synthetic Yarn and Blended Yarn. The Company's equity shares are listed at BSE Limited (Bombay Stock Exchange) and NSE (National Stock Exchange).

The financial statements for the year ended 31st March, 2026 were approved and authorized for issue by the Company's Board of Directors on 16th May, 2026.

Note-2 Material Accounting Policies, Significant Accounting Estimates, Judgements and Assumptions and Applicability of New and Revised Ind AS

Note- 2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

Note-2.2 Basis of Preparation of financial statements

(i) The financial statements have been prepared on historical cost convention on accrual basis except for certain financial assets and liabilities which are measured at fair value at the end of each reporting period as required under Ind AS.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in the financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(ii) Material accounting policies at note 2.3 have been consistently applied to all the periods presented in these financial statements, except valuation of inventories of raw material as mentioned at note 2.3.6.

(iii) The functional and presentation currency of the Company is Indian rupees (INR) and all values are rounded to the nearest ₹ lakhs and two decimals thereof, except otherwise stated.

Note-2.3 Material Accounting Policies:

2.3.1 Revenue Recognition

2.3.1 (a) Sale of goods or services

Revenue from the sale of goods or services is recognized at the point in time on satisfaction of distinct performance obligations when control is transferred to the customer and the amount of revenue can be measured reliably and recovery of consideration is probable.

Revenue is measured based on the transaction price (net of variable consideration) which is consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to short nature of credit period given to customers, there is no financing component in the contract.

2.3.1(b) Interest Income

Interest Income from financial asset is recognized when it is probable that economic benefits will flow to the company and amount of income can be measured reliably. Interest income is accrued on time basis, by reference to principal outstanding and at effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of financial asset to that asset's net carrying amount on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

2.3.1(c) Other Income

(i) Rental income from leases is recognized on straight line basis over lease term.

(ii) Insurance claims and export incentives are accounted for as and when the estimated amounts recoverable can be reasonably determined as being acceptable to the concerned authorities/parties.

2.3.2 Employee Benefits

2.3.2(a) Short term Employee Benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. The amount of short-term employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

2.3.2(b) Post-Employment benefit plans

(a) Defined Contribution Plan:

Contribution towards Provident fund, Employee state insurance and National pension scheme is classified as defined contribution scheme as the Company has no obligation, other than the contribution made to the fund. The Company recognizes contribution payable to such schemes as an expense, when an employee renders the related service.

(b) Defined Benefit Plan:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee, based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability/asset is determined using projected unit credit method, through actuarial valuation carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/loss, is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions, comprising actuarial gains/losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), are recognised in the period in which they occur, directly in other comprehensive income. These are recognized as a part of in retained earnings in the statement of changes in equity and in the balance sheet.

2.3.2(c) Other long term employee benefits- Compensated absences

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 recognised at the present value of the obligation based on actuarial valuation as on the reporting date, performed by an independent actuary using projected unit credit method.

The expense related to other long term employee benefits including re-measurements as a result of past experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

2.3.3 Property, plant and equipment:

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Freehold land is carried at cost. All other items of Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. The cost directly attributable to acquisition are capitalised until the property plant and equipment are ready for use as intended by the management.

The cost of an item of Property, plant and equipment comprises of:

(i) Purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.

(ii) Any expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and

(iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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.

Subsequent expenditures relating to property, plant and equipment are included in the asset's carrying value or recognised as separate assets as appropriate, only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Property, plant and equipment (including directly attributable expenditure) which are not ready for intended use at each balance sheet date are disclosed as "Capital work-in-progress".

De-recognition of Property, Plant and Equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The cost and the related accumulated depreciation are eliminated from the financial statements upon disposal or retirement of the asset and any gain or loss arising thereon is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

2.3.4 Intangible Assets

Intangible assets are recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow and the cost of the asset can be measured reliably.

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. The cost of intangible asset comprises of its purchase price, net of recoverable taxes and any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

De-recognition of intangible assets

An intangible asset is derecognised upon disposal or retirement of the asset. The cost and the related accumulated amortization are eliminated from the financial statements upon disposal or when no future economic benefits are expected from its use or disposal and resultant gains or losses are recognized in the statement of Profit and Loss when the asset is derecognized.

2.3.5 Depreciation and amortization

Depreciation

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Depreciation is provided on Property, plant and equipment on straight line method on the basis of useful lives of such assets specified in Schedule II to the Act. Assets costing upto ₹5,000 are fully depreciated in the year of purchase.

Depreciation method and useful lives are reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis.

Amortization

Intangible assets are amortized on straight line method over the estimated useful life. The amortization method and useful life are reviewed at each financial year end. The estimated useful life is based on number of factors including effect of obsolescence and other economic factors and is as under:

Assets description	Useful Life
Computer Software	5 Years
Right to use power lines	5 Years

2.3.6 Inventories

Inventories are valued at cost or net realizable value, whichever is lower except production waste which is valued at net realizable value. The raw materials and other supplies held for use in the production are valued at net realisable value only if the finished products in which they are to be incorporated are expected to be sold below cost. The cost in respect of the various items of inventory is computed as under:

(i) In case of raw materials at weighted average cost basis. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

The Company had so far maintained an accounting policy of valuation of inventory of raw material on first-in first-out (FIFO) basis. During the year ended 31st March 2026, based on review of commonly prevailing practices by the peer companies, the Company has voluntarily changed its accounting policy to value the inventory of raw material on weighted average basis with retrospective effect in accordance with the provisions of Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". This change in the method of valuation of raw material also has a consequential impact on the valuation of inventory of work-in-progress and finished goods.

The Company's management believes that this change in accounting policy provides reliable and more relevant information to the users of financial results about the effects of transactions on the Company's financial position and financial performance.

Consequent to the change in accounting policy, the amounts for comparative figures for previous periods have been restated with the impact of such change in accounting policy as disclosed in note 62.

(ii) In case of stores and spares at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.

(iv) In case of finished goods at raw material cost plus conversion costs, and other overheads incurred to bring the goods to their present location and condition.

Net Realisable Value is the estimated selling price in ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sales.

2.3.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized 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 the Company 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.

2.3.8 Earnings per Share

Basic earnings per share is computed by dividing the profit for the period attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

2.3.9 Income Taxes

Income tax expense comprises current tax and deferred tax.

Income tax expense is recognised in statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such case, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

Current tax is the tax payable/receivable on the taxable profit/loss for the year using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

A deferred tax asset is recognized to the extent, it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. 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 utilized.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

2.3.10 Government Grants

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in the statement of profit and loss on a systematic over the expected useful lives of the related assets by way of reduced depreciation.

When the grant relates to an expense item, it is recognised in the statement of profit and loss by way of reduction from the related cost, which the grants are intended to compensate.

Government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving financial support to the Company with no related costs is recognised in the Statement of profit or loss of the period in which it becomes receivable under 'Other operating income'/'Other income' based on the nature of grant.

2.3.11 Foreign Currency translations

Transactions in foreign currency are initially recorded in the functional currency i.e. Indian Rupees using the exchange rate prevailing at the date of transactions.

Monetary items denominated in foreign currency are reported using the exchange rate prevailing at the end of reporting period.

The exchange difference arising on the settlement or reporting of monetary items at rates different from rates at which these were initially recorded / reported in previous financial statements, are recognised in the statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency and measured at historical cost are recorded at the exchange rate prevalent at the date of transaction. Non-monetary items that are measured in term of historical cost in foreign currency are not retranslated.

2.3.12 Dividends

Final dividends on shares are recorded as a liability after approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.3.13 Leases

(i) Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. 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 asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for which underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's incremental borrowing rate.

Lease Liability and Right-of-Use Asset has been separately presented in the Balance Sheet. The interest expense on the lease liability has been separately presented as a component of finance costs in the statement of profit and loss. The payment of principal portion and interest portion of lease liability has been classified under financing activities in the statement of cash flows.

The payments for short-term leases and leases of low-value assets have been recognized in the statement of profit and loss and have been classified under operating activities in the statement of cash flows.

Company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, lease payments received are recognized on systematic basis over the term of the relevant lease as a part of other income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

2.3.14 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.

2.3.14(a) Initial Recognition and measurement

The company recognises the financial assets and financial liabilities when it becomes party to the contractual provision of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets and or issue of financial liabilities that are not recognized at fair value through profit or loss, are added to or reduced from the fair value of the financial assets or financial liabilities, as appropriate. Transaction cost directly attributable to the acquisition of financial assets and financial liabilities recognized at fair value through Profit or Loss are recognised immediately in the Statement of Profit and Loss.

2.3.14(b) Subsequent measurement

For the purposes of subsequent measurement, financial instruments are classified as follows:

(a) Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

The carrying amounts of financial assets that are subsequently measured at amortised cost are determined based on the effective interest method less any impairment losses.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if:

(i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;

(ii) at initial recognition, the Company makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument within the that is not held for trading

Interest income for such instruments is recognised in profit or loss using the effective interest rate(EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Fair value movements are recognised in the other comprehensive income (OCI) until the financial asset is derecognised. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the profit and loss.

Financial assets at fair value through profit or loss

A financial asset is subsequently measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. Such financial assets are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Dividend and interest income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such assets are recognised in the statement of profit and loss.

Financial liabilities

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at Fair Value Through Profit & Loss (FVTPL).

All other financial liabilities are subsequently measured at amortized cost using the effective interest method unless at initial recognition, they are classified as measured at fair value through profit and loss.

Financial liabilities carried at fair value through profit or loss, are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received. Incremental costs directly attributable to the issuance of equity instruments and buy back of equity instruments are recognized as a deduction from equity, net of any tax effects.

(b) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are charged to Statement of Profit and Loss.

(c) Compound financial instruments

The non-convertible non-cumulative preference shares issued by the company that provides for mandatory redemption by the company for a fixed or determinable amount at a fixed or determinable future date are treated as compound financial instruments as per criteria mentioned in Ind AS 32.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs). The remainder of the proceeds is recognised and included in other equity. The change in liability component on account of modification of terms of redemption, if any, is recognized in statement of profit and loss.

2.3.14(c) De-recognition of financial instrument

a) A financial asset (or, a part of a financial asset) is primarily derecognized when the contractual right to the cash flows from the financial asset expires, or the company transfers its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in the profit or loss.

b) A financial liability (or a part of financial liability) is derecognized when obligation specified in the contract is discharged or cancelled or expires.

On de-recognition of a financial liability, the difference between the carrying amount of the financial liability de-recognised and the consideration paid/ payable is recognised in profit or loss.

2.3.14(d) Offsetting 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 them on a net basis or to realise the assets and settle the liabilities simultaneously.

2.3.14(e) Impairment of Financial Assets

Financial assets that are carried at amortised cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments).

For trade receivables or any contractual right to receive cash or another financial asset that result from transaction that are within the scope of Ind AS 115 and Ind AS 116, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

For all other financial assets, expected credit losses are measured at an amount equal to the 12- months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

2.3.14(f) Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

2.3.15 Impairment of Non-financial assets

Property, plant and equipment and other intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The assets that are impaired are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however that the increased carrying amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years. The reversal of an impairment loss is recognised in the statement of profit and loss.

Impairment is reviewed periodically including at the end of each financial year.

2.3.16 Cash and cash equivalents

The Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with the original maturity period of three months or less, which are subject to an insignificant risk of changes in value and all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.3.17 Statement of Cash flows

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.3.18 Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the Company settles the obligation. The reimbursement is treated as a separate asset. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

(ii) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognised in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

(iii) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable.

(iv) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

2.3.19 Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

(1) Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.

(2) Income and Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Income and Expenses not allocable to segments are included under unallocable expenditure.

(3) Segment results includes margin on inter segment sales.

(4) Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category.

Note-2.4 Current – Non-Current Classification

All assets and liabilities have been classified as current and non-current on the basis of the following criteria:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within twelve months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or use to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within twelve months after the reporting date; or

d) It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting date

Current liabilities include current portion of non-current financial liabilities

All other liabilities are classified as non-current

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing/servicing and their realisation in cash or cash equivalents. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Note-2.5 Use of Accounting Estimates, Judgements and Assumptions

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) require management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amount of income, expenses, assets and liabilities and disclosure of contingent liabilities.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and the effect of revision to accounting estimates is recognized prospectively from the period in which the estimate is revised.

Significant accounting estimates, Judgements, and assumptions

i. Income taxes

Significant judgement is required in determination of provision for current tax and deferred tax e.g. determination of taxability of certain incomes and deductibility of certain expenses etc. The carrying amount of income tax assets/liabilities is reviewed at each reporting date. The factors used in estimates may differ from actual outcome which could lead to signification adjustment to the amounts reported in financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

ii Defined Benefit Plans and other post-employment benefits

The cost of the defined benefit plan and other post-employment benefits and the present value of such 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, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, the obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Inventories

Management has estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes.

iv. Fair value measurement

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. When the fair values of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques specified in the accounting standard, which involve certain judgements and assumptions.

v. Provisions / Contingencies

Significant judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount etc. The Company assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary.

vi. Useful lives of property plant and equipment and Intangible assets

The estimated useful lives of property plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the known technological advancements, commercial obsolescence of the asset etc.). The useful life of property plant and equipment and intangible assets is reviewed at each reporting date.

vii. Recoverable amount of property, plant and equipment

The recoverable amount of property plant and equipment is based on estimates and assumptions regarding the expected market outlook and expected future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

Note-2.6 Applicability of new and revised Ind AS

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.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its standalone financial statements.

In August 2025, MCA notified the following amendments to:

a. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

b. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its standalone financial statements.

c. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its standalone financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Note-3(a) Property, Plant and Equipment

Year ended March 31, 2026

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
	Balance as at 1st April, 2025	Additions	Disposals #	Other Adjustments	Balance as at 31st March, 2026	Balance as at 1st April, 2025	Depreciation expense for the year	Disposals#	Other Adjustments	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31st March, 2025
Freehold Land	2,367.85	0.96	-	-	2,368.81	-	-	-	-	-	2,368.81	2,367.85
Building	33,427.67	42.27	117.24	-	33,352.70	6,751.07	1,028.67	40.11	-	7,739.63	25,613.06	26,676.60
Plant and Machinery	92,712.38	1,032.19	171.87	-	93,572.70	46,792.15	8,246.64	40.14		54,998.65	38,574.04	45,920.23
Furniture and Fixtures	369.48	46.73	-	-	416.21	203.89	24.72	-	-	228.61	187.60	165.59
Vehicles	900.35	-	1.04	-	899.31	324.85	84.11	0.82	-	408.14	491.17	575.50
Office Equipment	317.88	35.23	0.08	-	353.03	199.84	19.44	-	-	219.28	133.75	118.04
Total	**1,30,095.61**	**1,157.38**	**290.23**	-	**1,30,962.76**	**54,271.80**	**9,403.58**	**81.07**	-	**63,594.31**	**67,368.43**	**75,823.81**

Also refer note 63.

Year ended March 31, 2025

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
	Balance as at 1st April, 2024	Additions	Disposals	Other Adjustments	Balance as at 31st March, 2025	Balance as at 1st April, 2024	Depreciation expense for the year	Disposals	Other Adjustments	Balance as at 31st March, 2025	Balance as at 31st March, 2025	Balance as at 31st March, 2024
Freehold Land	2,367.85	-	-	-	2,367.85	-	-	-	-	-	2,367.85	2,367.85
Building	32,823.21	711.34	106.88	-	33,427.67	5,796.40	1,021.68	67.01	-	6,751.07	26,676.60	27,026.81
Plant and Machinery	87,467.96	5,389.38	144.96	-	92,712.38	39,041.39	7,812.34	61.58	-	46,792.15	45,920.23	48,426.57
Furniture and Fixtures	341.79	27.69	-	-	369.48	181.41	22.48	-	-	203.89	165.59	160.38
Vehicles	675.77	228.16	3.58	-	900.35	264.16	63.98	3.29	-	324.85	575.50	411.61
Office Equipment	296.75	21.13	-	-	317.88	177.23	22.61	-	-	199.84	118.04	119.52
Total	**1,23,973.33**	**6,377.70**	**255.42**	-	**1,30,095.61**	**45,460.59**	**8,943.09**	**131.88**	-	**54,271.80**	**75,823.81**	**78,512.74**

1. Refer note no. 38 for detail of contractual Commitment towards purchase of Property, Plant and Equipment.
2. Refer note 47 for information on Property,Plant and Equipment pledged as security by the company.
3. Refer note no. 55 for the amount of expenditures recognised in the carrying amount of Property, Plant and Equipment/ Capital work -in -progress (CWIP) in the course of its construction.
4. The title deeds of all the immovable properties are held in the name of the Company.
5. The Company has not revalued any of its property, plant and equipment during the year.
6. The aggregate depreciation has been included under depreciation and amortization expense in the statement of Profit and Loss.
7. The Company has given on lease certain portion of its office / factory premises under operating leases. The gross carrying amount, accumulated depreciation and depreciation for the year in respect of such portion of the leased premises are not separately identifiable. These assets have not been classified as Investment property as it does not meet the criteria specified in Ind AS 40 (also refer note 42).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Note-3 (b) Right of Use Assets

Year ended March 31, 2026

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
	Balance as at 1st April, 2025	Additions	Disposals	Other Adjustments	Balance as at 31st March, 2026	Balance as at 1st April,2025	Depreciation expense for the year	Disposals	Other Adjustments	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31st March, 2025
Land #	-	5,529.66	-	-	5,529.66	-	25.60	-	-	25.60	5,504.06	-
Building	115.18	-	-	-	115.18	41.08	15.31	-	-	56.39	58.79	74.10
Total	**115.18**	**5,529.66**	**-**	**-**	**5,644.84**	**41.08**	**40.91**	**-**	**-**	**81.99**	**5,562.85**	**74.10**

#In case of right-of-use asset amounting to ₹ 5529.66 Lakhs in respect of industrial land situated at Orissa, taken on lease from Orissa Industrial Infrastructure Development Corporation for a period of 90 years during the current financial year for a new project in respect of which possession has been obtained by the Company, the lease deed shall be executed after implementation of the project, as per the terms and conditions of the land allotment letter, for the remaining years from the date of possession of the handing over of the land or for the balance lease period as appropriate.

Year ended March 31, 2025

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
	Balance as at 1st April, 2024	Additions	Disposals	Other Adjustments	Balance as at 31st March, 2025	Balance as at 1st April, 2024	Depreciation expense for the year	Disposals	Other Adjustments	Balance as at 31st March, 2025	Balance as at 31st March, 2025	Balance as at 31st March, 2024
Land	-	-	-	-	-	-	-	-	-	-	-	-
Building	127.62	35.75	(12.91)	(35.28)	115.18	74.02	15.25	(12.91)	(35.28)	41.08	74.10	53.60
Total	**127.62**	**35.75**	**(12.91)**	**(35.28)**	**115.18**	**74.02**	**15.25**	**(12.91)**	**(35.28)**	**41.08**	**74.10**	**53.60**

1. Refer Note 42 for other disclosures related to leases.
2. The aggregate depreciation expenses on Right of use asset is included under depreciation and amortization expense in the statement of Profit and Loss.

Note-3 (c) Other Intangible Assets

Year ended March 31, 2026

Particulars	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount	
	Balance as at 1st April, 2025	Additions	Disposals	Other Adjustments	Balance as at 31st March, 2026	Balance as at 1st April, 2025	Amortisation expense for the year	Disposals	Other Adjustments	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31st March, 2025
Computer Softwares	154.99	-	-	-	154.99	154.90	0.09	-	-	154.99	-	0.09
Right to use Power Line	61.00	-	-	-	61.00	48.34	5.06	-	-	53.40	7.60	12.66
Total	**215.99**	**-**	**-**	**-**	**215.99**	**203.24**	**5.15**	**-**	**-**	**208.39**	**7.60**	**12.75**

Year ended March 31, 2025

Particulars	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount	
	Balance as at 1st April, 2024	Additions	Disposals	Other Adjustments	Balance as at 31st March, 2025	Balance as at 1st April, 2024	Amortisation expense for the year	Disposals	Other Adjustments	Balance as at 31st March, 2025	Balance as at 31st March, 2025	Balance as at 31st March, 2024
Computer Softwares	154.99	-	-	-	154.99	154.79	0.11	-	-	154.90	0.09	0.20
Right to use Power Line	61.00	-	-	-	61.00	43.27	5.07	-	-	48.34	12.66	17.73
Total	**215.99**	**-**	**-**	**-**	**215.99**	**198.06**	**5.18**	**-**	**-**	**203.24**	**12.75**	**17.93**

1. The intangible assets are not internally generated.
2. Computer Softwares and Right to use power lines are amortized @20% on straight line basis as the useful life has been estimated to be not more than five years
3. The aggregate amortization expense has been included under depreciation and amortization expense in the statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE -4 (a) : Investments (Non-Current)		
Investments carried at Fair value through Other Comprehensive Income		
Investments in Equity instruments (Unquoted)		
2350833 (Previous Year Nil) Equity Shares of ₹ 10/- each of Evincea Renewables (Seven) Private Limited *	1,410.50	-
Total	**1,410.50**	**-**
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	1,410.50	-
Aggregate amount for impairment in value of investments	-	-

* The Company has entered into Captive Power Purchase Agreement (PPA) with Evincea Renewables (Seven) Private Limited (SPV) for purchase of renewable energy (electricity) and has also entered into Share Subscription and Shareholders' Agreement (SSHA) with the SPV and Manikaran Renewables Limited (Promoter of the SPV) for holding of 26% to qualify as a captive power consumer. In accordance with the definition of significant influence under Ind AS 28 on "Investments in Associates and Joint Ventures", the Company does not exercise significant influence over the SPV. Thus, while preparation of these financial statements, the SPV is not being considered as associate company in line with the requirements under the Ind AS.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE -4 (b) : Other Financial Assets (Non-Current)		
At Amortised Cost		
a) Earmarked deposits with banks having maturity period of more than 12 months after reporting date		
-Fixed deposits as security against term loan	146.54	139.49
b) Security Deposits	2,164.35	2,147.39
Total	**2,310.89**	**2,286.88**

Refer Note 48 for Classification of Financial Assets.

Refer Note 50 for information about credit risk and market risk in respect of financial assets.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 5: Other Non-Current Assets		
Unsecured considered good		
a) Capital Advances	1,491.78	147.80
b) Prepaid Expenses	18.48	33.81
Total	**1,510.26**	**181.61**
NOTE - 6: Inventories		
(At cost or net realisable value, whichever is lower)		
a) Raw Material	28,861.26	34,616.32
b) Raw Material in transit	2,663.97	1,559.00
c) Work in Progress	2,381.68	2,309.75
d) Finished Goods	3,546.85	3,043.61
e) Stores and Spares	1,675.21	1,963.21
Total	**39,128.97**	**43,491.89**

The method of valuation of inventory has been stated at Note 2.3.6

The cost of Inventory recognised as an expense during the year is ₹ 179522.26 Lakhs (Previous Year ₹184494.71 Lakhs)

Refer note 47 for information on inventories pledged as security by the company.

Refer note 62 for effect of change in accounting policy, with retrospective effect in accordance with IND AS 8, to value the inventory of Raw-material on weighted average basis which was earlier valued on FIFO basis having consequential impact on valuation of inventory of work-in-progess & finished goods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 7: Trade Receivables		
a) Trade Receivables- Considered good (Unsecured)	39,654.72	45,656.90
Less: Allowance for Expected Credit Loss	(43.30)	(46.17)
b) Trade Receivables which have significant increase in credit risk	32.95	42.94
Less: Allowance for Expected Credit Loss	(24.71)	(21.47)
c) Trade Receivables- Credit impaired	140.73	112.80
Less: Allowance for Expected Credit Loss	(140.73)	(112.80)
Total	**39,619.66**	**45,632.20**

Refer note 44(A) for ageing schedule of trade receivables.

Refer note 47 for information about trade receivables pledged as security by the company.

Refer note 43 and 44(C) for information about receivables from related parties including due by firms or private companies respectively in which any director is a partner or a director or a member.

Refer Note 48 for Classification of Financial Assets.

Refer note 50 for Credit risk and allowance for expected credit loss related to trade receivables.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 8: Cash and Cash Equivalents		
a) Balances with banks in current and cash credit accounts	20.50	29.86
b) Cash on hand	46.82	20.09
Total	**67.32**	**49.95**

Refer Note 48 for Classification of Financial Assets.

Refer Note 50 for information about credit risk and market risk in respect of financial assets.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 9: Bank Balances Other than Cash and Cash Equivalents		
Earmarked deposits with banks		
- As margin money against LC for capital goods and other material	-	-
-Balance for Unpaid/Unclaimed Dividend	28.65	12.66
-Fixed deposits as margin money against overdraft limit from bank	12.95	12.65
-Fixed deposits as security against term loan	146.55	139.49
	188.15	**164.80**
Less: Fixed deposits having maturity period of more than 12 months from reporting date shown under other non-curent financial assets	(146.54)	(139.49)
Total	**41.61**	**25.31**

Refer Note 48 for Classification of Financial Assets.

Refer Note 50 for information about credit risk and market risk in respect of financial assets.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 10: Other Financial Assets(Current)		
At amortized cost		
a) Interest receivable	145.49	115.58
b) Security Deposits	25.34	33.30
c) Claim Recoverable	5,321.65	2,293.85
Less: Allowance for expected credit loss	(2,293.85)	(1,810.78)
d) Grants receivable*	4,311.18	3,254.69
Less: Allowance for expected credit loss	(283.19)	-
Total	**7,226.62**	**3,886.64**

Refer Note 48 for Classification of Financial Assets.

Refer Note 50 for information about credit risk and market risk in respect of financial assets.

*Refer Note 60 for reclassification of Government grant receivable from “Other Current Assets” to “Other Current- Financials Assets”

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 11: Other Current Assets		
Unsecured Considered Good		
a) Prepaid Expenses	193.72	150.72
b) Advance to suppliers*	4,600.81	1,579.06
c) Recoverable from Government Authorities	1,399.44	2,078.75
d) Export Incentives receivable	2,302.57	1,612.91
Total	**8,496.54**	**5,421.44**

* Refer note 43 and 44(C) for information about advances to related parties including advances to firms or private companies respectively in which any director is a partner or a director or a member.

NOTE-12: Equity Share Capital

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹1/- each	15,00,00,000	1,500.00	15,00,00,000	1,500.00
Total	**15,00,00,000**	**1,500.00**	**15,00,00,000**	**1,500.00**
Issued,Subscribed and fully paid up equity share capital				
Equity Shares of ₹1/-each	12,70,72,000	1,270.72	12,70,72,000	1,270.72
Add : Amount paid up on forfeited Equity Shares		16.08		16.08
Total	**12,70,72,000**	**1,286.80**	**12,70,72,000**	**1,286.80**

i) Rights,preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each share holder is entitled for one vote per share. The dividend if any proposed by the Board of Directors will be subject to approval of the share holders in the ensuing Annual General Meeting except interim dividend which is approved by Board of Directors In the event of the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion of number of equity shares held by each equity share holder.

ii) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of Shares	Amount	Number of Shares	Amount
As at the beginning of the Year	12,70,72,000	1,270.72	1,27,07,200	1,270.72
Add/(Less) :Movement during the Year				
- On account of share split*	-	-	11,43,64,800	-
Total	**12,70,72,000**	**1,270.72**	**12,70,72,000**	**1,270.72**
Add : Amount paid up on forfeited Equity Shares		16.08		16.08
As at the end of the Year	12,70,72,000	1,286.80	12,70,72,000	1,286.80

* On the recommendation of the Board of Directors of the Company, the Shareholders of Company in the annual general meeting held on 17.08.2024 approved the sub-division/ split of existing 1 Equity Share of face value of ₹10/- each fully paid up into 10 Equity Shares of face value of ₹1/- each fully paid up by alteration of Capital Clause of the Memorandum of Association of the Company. Accordingly, on and from the record date i.e.13th September 2024, the equity shares of the Company have been sub- divided, such that 1 (one) equity share having face value of ₹ 10/- (₹ ten only) each, fully paid-up, stands sub-divided into 10 (ten) equity shares having face value of ₹1/- (₹ one only) each, fully paid-up, ranking pari-passu in all respects.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

iii) Detail of Shares held by the holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company

There is no holding/ultimate holding company of the company.

iv) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sobhagia Logistics Private Limited	3,05,32,390	24.03	3,05,32,390	24.03
Angel Finvest Private Limited	1,85,85,720	14.63	1,85,85,720	14.63
Sobhagia Sales Private Limited	1,61,88,130	12.74	1,61,88,130	12.74
Munish Avasthi	2,20,21,580	17.33	2,20,21,580	17.33

v) Aggregate number of Equity Shares issued for consideration other than cash,allotted by way of bonus shares,bought back for the period of five years immediately preceding the reporting date:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Allotted as Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Allotted as Fully paid up by way of bonus shares #	-	-	-	-	99,65,400
Shares bought back (Refer note 57)	-	-	5,80,000	-	-

During the year ended 31st March, 2022, the Company allotted 99,65,400 equity shares as fully paid up bonus shares in proportion of 3:1 (i.e. three bonus shares for every one equity share held) to the eligible members/beneficial owners as on 24th September, 2021, i.e. record date, by capitalisation of amount of ₹996.54 Lakhs which was by way of transfer from Capital Redemption Reserve ₹553.80 Lakhs and Securities Premium ₹442.74 Lakhs.

vi) Details of Shareholdings by the Promoters and Promoter's Group of the Company

Name	As at 31st March, 2026		As at 31st March, 2025		% change
	No of Shares	% of Total shares	No of Shares	% of Total shares	
Sobhagia Logistics Private Limited	3,05,32,390	24.03	3,05,32,390	24.03	-
Angel Finvest Private Limited	1,85,85,720	14.63	1,85,85,720	14.63	-
Sobhagia Sales Private Limited	1,61,88,130	12.74	1,61,88,130	12.74	-
Munish Avasthi	2,20,21,580	17.33	2,20,21,580	17.33	-
Parveen Avasthi	62,15,760	4.89	62,15,760	4.89	-
Aradhna Knitwears Private Limited	7,25,720	0.57	7,25,720	0.57	-
Suraj Dada	88,000	0.07	88,000	0.07	-
Anjali Avasthi	80,770	0.06	80,770	0.06	-
Anjali Dada	56,380	0.04	56,380	0.04	-
Total	**9,44,94,450**	**74.36**	**9,44,94,450**	**74.36**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Name	As at 31st March, 2025		As at 31st March, 2024		% change
	No of Shares	% of Total shares	No of Shares	% of Total shares	
Sobhagia Logistics Private Limited	3,05,32,390	24.03	30,53,239	24.03	-
Angel Finvest Private Limited	1,85,85,720	14.63	18,58,572	14.63	-
Sobhagia Sales Private Limited	1,61,88,130	12.74	16,18,813	12.74	-
Munish Avasthi	2,20,21,580	17.33	22,02,158	17.33	-
Parveen Avasthi	62,15,760	4.89	6,21,576	4.89	-
Aradhna Knitwears Private Limited	7,25,720	0.57	72,572	0.57	-
Suraj Dada	88,000	0.07	8,800	0.07	-
Anjali Avasthi	80,770	0.06	8,077	0.06	-
Anjali Dada	56,380	0.04	5,638	0.04	-
Total	**94494450**	**74.36**	**9449445**	**74.36**	**0.00**

NOTE 13: Other Equity

Particulars	Equity Component of Compound Financial Instruments*	Reserve and Surplus			Total
		Capital Redemption Reserve	Retained Earnings	General Reserve	
Balance as at 1st April, 2024	7,733.04	318.52	80,901.18	3.00	88,955.74
Impact of Change in Accounting Policy (Refer note 62)		-	(280.73)	-	(280.73)
Restated Balance as at 1st April 2024	**7,733.04**	**318.52**	**80,620.45**	**3.00**	**88,675.01**
Profit for the year	-	-	11,314.60	-	11,314.60
Other Comprehensive Income for the year-Remeasurement of Employee Defined Benefit Plans	-	-	83.79	-	83.79
Final dividend to equity shareholders for the year ended March 31, 2024 @ ₹0.50/-per share	-	-	(635.36)	-	(635.36)
Dividend to preference shareholders for the year ended March 31, 2024 @ ₹0.50/-per share	-	-	(34.16)	-	(34.16)
Balance as at 31st March, 2025	**7,733.04**	**318.52**	**91,349.32**	**3.00**	**99,403.88**
Balance as at 1st April, 2025	**7,733.04**	**318.52**	**91,349.32**	**3.00**	**99,403.88**
Profit for the year	-	-	11,972.38	-	11,972.38
Other Comprehensive Income for the year-Remeasurement of Employee Defined Benefit Plans	-	-	231.89	-	231.89
Final dividend to equity shareholders for the year ended March 31, 2025 @ ₹ 1-per share			(1,270.75)	-	(1,270.75)
Dividend to preference shareholders for the year ended March 31, 2025 @ ₹0.50/-per share			(34.16)	-	(34.16)
Balance as at 31st March, 2026	**7,733.04**	**318.52**	**1,02,248.68**	**3.00**	**1,10,303.24**

* Equity Component of Compound Financial Instruments (Inclusive of Securities Premium) includes equity component of ₹1613.28 Lakhs in respect of preference shares redeemed till 31st March, 2026 (₹1613.28 Lakhs till 31st March, 2025). For other details of preference shares, refer footnote (ii) below.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Footnotes:

(i) Nature and Purpose of Reserve

1) Equity Component of Compound Financial Instruments

The fair value of the liability component of non- convertible preference shares issued by the company has been determined using an effective interest rate for an equivalent non-convertible instrument at the inception and the said amount has been classified as a financial liability.The remainder of the proceeds is recognised as 'Equity Component of Compound Financial Instruments' in other equity as per provisions of Ind AS 32.

2) Capital Redemption Reserve

Capital redemption reserve has been created on redemption of preference shares out of profits of the Company. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

3) General Reserve

This represents retained earnings which are kept aside out of company's profits. It is a free reserve which can be utilized to meet any future contingencies and to pay dividend to shareholders

4) Retained Earnings

Retained earnings represents net earnings not paid out as dividend.The amount is available for distribution of dividend to its equity shareholders. It also includes balance of remeasurement of net defined benefit obligation (net of taxes)

(ii) Details of Preference Share capital

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised Share capital				
5% Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹10/- each	**2,00,00,000**	**2,000.00**	**2,00,00,000**	**2,000.00**
Issued, subscribed and fully paid-up Preference Share capital				
5% Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹10/- each fully paid up	**68,32,000**	**683.20**	**68,32,000**	**683.20**

Rights, preferences and restrictions attached to preference shares

Preference shares are having preference over equity shares in respect of payment of dividend and repayment of capital over equity shareholders and is entitled to voting rights in the resolutions directly affecting their interest.Preference shares are redeemable within 20 years from the date of allotment.

The detail of redemption of preference shares is as follows:

Farthest Date by which Redemption is to be done as per date of allotment	No. of Shares	
	As at 31st March 2026	As at 31st March 2025
31.03.2032	28,92,000	28,92,000
04.10.2038	15,00,000	15,00,000
22.01.2041	12,50,000	12,50,000
07.02.2041	11,90,000	11,90,000
Total	**68,32,000**	**68,32,000**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Details of shares held by promoter and shareholders holding more than 5% shares:

Name of holders	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sobhagia Sales Private Limited	17,33,000	25.37%	17,33,000	25.37%
Munish Avasthi	12,25,000	17.93%	12,25,000	17.93%
Angel Finvest Pvt Ltd	6,04,000	8.84%	6,04,000	8.84%
Anjali Avasthi	4,50,000	6.59%	4,50,000	6.59%
Parveen Avasthi	28,20,000	41.27%	28,20,000	41.27%

Reconciliation of the Number of Preference shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the reporting period	68,32,000	683.20	68,32,000	683.20
Add: Issued during the year	-	-	-	-
Less: Redeemed during the year	-	-	-	-
At the end of the reporting period	**68,32,000**	**683.20**	**68,32,000**	**683.20**

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE 14:Borrowings (Non-Current)		
At Amortised Cost		
i) From Banks (Secured)		
A) Term Loans / Vehicle Loan:		
a) Rupee Loans	4,896.08	14,534.44
b) Foreign Currency Loans	27,350.17	25,436.68
Total (A)	32,246.25	39,971.12
Less:-		
B) Current Maturities of Long Term Debt	4,468.85	6,216.66
Total (B)	**4,468.85**	**6,216.66**
Net Non-Current Borrowings from banks (A-B)	**27,777.40**	**33,754.46**
ii) From Others (Unsecured)		
Liability Component of Compound Financial Instruments *	1,747.52	1,512.60
Total	**29,524.92**	**35,267.06**

*Liability Component of Compound Financial Instruments pertains to 5% redeemable non-cumulative non-convertible preference shares of face value of ₹10/- each fully paid up issued by the Company which have been accounted for as Compound Financial Instruments in accordance with applicable Ind AS. For other details of such preference shares, refer footnote (ii) of note 13 'Other Equity'.

Refer Note 48 for Classification of Financial liabilities.

Refer note 50 for information about market risk and liquidity risk in respect of financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Notes:

i) Nature of security against loans

A. Term Loans

Primary Security:-

Hypothecation of entire Property,Plant and Equipment of the Company except some part of land at Bathinda (both present and future) on first pari passu charge basis.

Collateral Security:-

a) Hypothecation of entire Current assets of the company (both present and future) on second pari passu charge basis. Further loans are also secured by equitable mortagage of industrial plots situated at Village Barmalipur, Ludhiana owned by Sh. Munish Avasthi, Chairman and Managing Director of the Company.

b) All term loans are further guaranteed by Sh. Munish Avasthi, Chairman and Managing Director of the Company.

B. Vehicle Loan

The vehicle loans are secured against hypothecation of respective vehicles.

ii) Terms of Repayment]

As at 31st March 2026

Name of Bank	Currency (INR/FCL)	As at 31.03.2026	No. of Instalments o/s as on 31.03.2026	Rate of Interest (%age)*	Payable within 12 Months
Term Loans (Other than vehicle loans)			**(Quarterly Payable)**		
State Bank of India- ₹10000 Lakhs	INR	13.33	4	9.60 to 9.90	465.00
	FCL	1,832.82		7.65 to 7.80	
State Bank of India- ₹2500 Lakhs	FCL	2,251.19	27	7.63 to 7.81	136.00
Indian Bank FCNR- ₹6200 Lakhs	FCL	4,194.84	18	7.08 to 7.58	450.00
Indian Bank FCNR- ₹11000 Lakhs	FCL	7,984.17	21	7.08 to 7.58	900.00
Central Bank of India- ₹2000 Lakhs	INR	80.00	1	9.40 to 9.70	-
Union Bank of India-₹5500 Lakhs	INR	761.45	20	7.11 to 8.90	330.00
	FCL	3,065.26			
Union Bank of India-₹5000 Lakhs	FCL	963.16	4	7.11 to 7.76	465.00
Union Bank of India-₹6300 Lakhs	FCL	2,796.03	13	7.11 to 7.76	300.00
Punjab National Bank- ₹4000 Lakhs	FCL	2,726.85	12	6.94 to 7.75	480.00
Punjab National Bank- ₹2224 Lakhs	FCL	1,535.83	24	6.95 to 8.90	182.37
Export Import Bank of India- ₹5500 Lakhs	INR	3,781.25	22	7.85 to 8.45	687.50
Term Loans (Vehicles Loans)			**(Monthly Payable)**		
Punjab National Bank -₹132.50 Lakhs	INR	111.03	68	7.55	25.42
Indian Bank -₹250 Lakhs	INR	174.99	54	7.70	47.56
Total		**32,272.20**			**4,468.85**
Less : Umamortised Processing Charges		**25.95**			
Net Amount as reported in Financial statements		**32,246.25**			

* In case of Foreign currency loan, rate of interest includes premium cost on forward contracts against such loans

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

As at 31st March 2025

Name of Bank	Currency (INR/FCL)	As at 31.03.2025	No. of Instalments o/s as on 31.03.2025	Rate of Interest (%age)*	Payable within 12 Months
Term Loans (Other than vehicle loans)			(Quarterly Payable)		
State Bank of India- ₹10000 Lakhs	INR	4,548.67	10	7.87 to 9.70	1,380.00
State Bank of India- ₹2500 Lakhs	INR	2,500.00	32	8.15 to 8.55	272.00
Indian Bank FCNR- ₹6200 Lakhs	FCL	4,532.72	22	7.39 to 7.69	450.00
Indian Bank FCNR- ₹11000 Lakhs	FCL	8,684.98	25	7.39 to 7.69	900.00
Central Bank of India- ₹2000 Lakhs	INR	160.00	1	8.65 to 8.85	-
Union Bank of India-₹5500 Lakhs	INR	911.45	25	7.56 to 8.90	450.00
	FCL	3,523.52			
Union Bank of India-₹5000 Lakhs	FCL	2,058.68	9	7.56 to 7.76	690.00
Union Bank of India-₹6300 Lakhs	FCL	3,414.65	18	7.56 to 7.76	450.00
Punjab National Bank- ₹4000 Lakhs	FCL	3,160.04	16	7.42 to 7.80	640.00
Punjab National Bank- ₹2224 Lakhs	INR	1,645.91	32	8.80 to 8.90	242.62
Export Import Bank of India- ₹5500 Lakhs	INR	4,468.76	26	8.45 to 8.65	687.50
Term Loans (Vehicles Loans)			(Monthly Payable)		
Union Bank of India-₹20.81 Lakhs	INR	15.65	57	8.40	2.64
Punjab National Bank -₹68.87 Lakhs	INR	54.22	57	8.40	8.63
Punjab National Bank -₹132.50 Lakhs	INR	127.67	80	8.40	14.56
Indian Bank -₹250 Lakhs	INR	208.89	67	8.40	28.71
Total *		**40,015.81**			**6,216.66**
Less : Umamortised Processing Charges		**44.69**			
Net Amount as reported in Financial statements		**39,971.12**			

* In case of Foreign currency loan, rate of interest includes premium cost on forward contracts against such loans.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 15 Lease Liabilities (Non-Current)		
At Amortised Cost		
Lease Liabilities (also refer note 42)	888.13	65.58
Total	**888.13**	**65.58**

Refer Note 48 for Classification of Financial liabilities.

Refer note 50 for information about market risk and liquidity risk in respect of financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 16 Provisions (Non-Current)		
Provision of employee benefits:		
a) Gratuity	1,178.03	1,271.33
b) Compensated absences	360.01	455.72
Total	**1,538.04**	**1,727.05**
Also refer note 41		
NOTE - 17: Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities (A)	3,195.00	3,430.00
Deferred Tax Assets (B)	1,435.00	976.00
Deferred Tax Liabilities (Net) (C=A-B)	**1,760.00**	**2,454.00**
Also refer Note 34 for detail and movement in deferred tax liabilities and assets.		
NOTE - 18: Borrowings (Current)		
I. Working Capital Loans repayable on demand		
From Banks		
Secured		
(a) Cash Credit Loans (Rupee Loans)	1,435.09	1,891.96
(b) Packing Credit Foreign Currency Loan (PCFC)	10,838.46	15,099.98
II. Current Maturities of Long term Debt		
-From banks (Secured)	4,468.85	6,216.66
Total	**16,742.40**	**23,208.60**

Refer Note 48 for Classification of Financial liabilities.

Refer note 50 for information about market risk and liquidity risk in respect of financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Terms of repayment	As at 31st March, 2026		As At 31st March, 2025	
	Amount	Rate of Interest.	Amount	Rate of Interest.
Cash Credit (Rupee Loans)	(in Lakhs)	(%age)	(in Lakhs)	(%age)
i) State Bank of India	616.49	8.75 to 9.75	1,094.59	9.40 to 9.75
ii) Punjab National Bank	768.52	9.45 to 9.70	784.35	9.40 to 9.70
iii) Union Bank of India	50.08	8.90	13.02	8.70 to 9.00
Total	**1,435.09**		**1,891.96**	
(b) Packing Credit Foreign Currency Loan (PCFC)				
i) State Bank of India	4,219.75	4.26 to 4.85	11,444.62	4.80 to 6.32
ii) Punjab National Bank	3,713.78	4.66 to 5.25	2,011.49	5.20 to 6.32
iii) Union Bank of India	2,904.93	4.66 to 5.25	404.75	5.20 to 6.32
iv) Yes Bank	-	4.66 to 5.25	1,239.12	5.20 to 6.32
Total	**10,838.46**		**15,099.98**	

i) Nature of security against Working Capital Loans

Primary Security:-

Hypothecation of stocks of raw material,stock in process and finished goods, receivables/book debts and other current assets (both present and future) on first pari passu charge basis.

Collateral Security:-

Hypothecation of entire fixed assets except some part of land situated at Bathinda of the company (both present and future) on second pari passu charge basis. Further loans are also secured by equitable mortagage of industrial plots situated at Village Barmalipur, Ludhiana owned by Sh. Munish Avasthi, Chairman and Managing Director of the Company. All loans are further guaranteed by Sh. Munish Avasthi, Chairman and Managing Director of the Company.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 19: Lease Liabilities (Current)		
At Amortised Cost		
Lease Liabilities (also refer note 42)	15.89	14.45
Total	**15.89**	**14.45**
Refer Note 48 for Classification of Financial liabilities.		
Refer note 50 for information about market risk and liquidity risk in respect of financial liabilities.		
NOTE - 20: Trade Payables		
(A) Total outstanding dues of Micro Enterprises and Small Enterprises	616.92	395.88
(B) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	5,483.20	8,709.12
Total	**6,100.12**	**9,105.00**

Refer note 44(B) for ageing schedule of trade payables.

Refer note 40 for disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006.

Refer note 43 and 44(C) for information about payables to related parties including payables to firms or private companies respectively in which any director is a partner or a director or a member.

Refer Note 48 for Classification of Financial liabilities.

Refer note 50 for information about market risk and liquidity risk in respect of financial liabilities.

Refer note 61 for reclassification of Commision,freight & other expense payable from “Other Current Financial Liabilities” to “Trade Payables”

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 21: Other Financial Liabilities (Current)		
At amortized cost		
a) Interest accrued and not due on borrowings	101.37	152.71
b) Payables for purchase of Property,Plant and Equipments		
(A) Total outstanding dues of Micro Enterprises and Small Enterprises	67.62	-
(B) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	16.34	-
c) Unpaid Dividend	28.65	12.66
d) Other Payables		
- Security Deposit/Retention Money	102.11	81.34
- Dues to Employees	2,336.75	2,358.62
At Fair Value through Profit and Loss		
Derivative Financial Instruments	1,700.55	484.68
Total	**4,353.39**	**3,090.01**

Refer Note 48 for Classification of Financial liabilities.

Refer note 50 for information about market risk and liquidity risk in respect of financial liabilities.

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 22: Other Current Liabilities		
a) Advances From Customers	901.42	252.83
b) Statutory Remittances	270.41	283.41
Total	**1,171.83**	**536.24**

Particulars	As at 31st March, 2026	As at 31st March, 2025
NOTE - 23: Provisions (Current)		
Provision of Employee Benefits:		
a) Gratuity	160.37	115.26
b) Compensated absences	39.67	38.57
Total	**200.04**	**153.83**

Also refer Note 41

Particulars	As at 31st March, 2026	As at 31st March, 2025
Note -24 (a). Current tax liabilities		
i) Provision for Current Year	4,941.00	4,227.00
ii) Less: Taxes paid against provision for current year	4,388.42	2,948.85
Current Tax Liabilities (Net)*	**552.58**	**1,278.15**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Note -24 (b). Income tax assets		
Refund Receivable (related to earlier years)	215.32	210.05
Income Tax Assets (Net)*	**215.32**	**210.05**

*Income tax assets and liabilities have been offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
NOTE - 25: Revenue from operations		
a) Sale of Products	2,43,785.59	2,45,671.90
b) Sale of Services	14.43	22.00
c) Other Operating Revenue	5,785.64	6,729.04
Total	**2,49,585.66**	**2,52,422.94**
a) Detail of sale of products		
i) Yarn		
-Export (including sales to special economic zone in India)	1,26,866.56	1,24,223.40
-Domestic	79,587.82	84,347.09
Total	**2,06,454.38**	**2,08,570.49**
ii) Waste		
-Export	2,670.33	4,430.30
-Domestic	20,738.69	18,319.97
Total	**23,409.02**	**22,750.27**
iii) Traded Goods/ Cotton & Synthetic fibre	13,922.19	14,351.14
Total Sale of Products (i+ii+iii)	**2,43,785.59**	**2,45,671.90**
b) Detail of Sale of Services		
-Job Work Charges	14.43	22.00
	14.43	**22.00**
c) Details of Other Operating Revenue		
-Export Incentives	5,487.12	6,444.52
-Others (Scrap sale)	298.52	284.52
	5,785.64	**6,729.04**
Refer note 45 for disclosures as per Ind AS 115 “ Revenue from Contracts with Customers”		
NOTE - 26: Other Income		
a) Profit on sale of Property,Plant and Equipment (Net)	26.33	172.41
b) Rent Received	4.70	4.65
c) Interest Income on financial assets carried at amortized cost	173.40	183.07
d) Gain on Foreign Exchange Fluctuation (net)	19.75	1,526.81
e) Government Grants (also refer note 35)	709.17	651.57
f) Liabilities no longer payable written back	-	-
f) Provision no longer required written back	41.60	-
g) Others	485.16	140.20
Total	**1,460.11**	**2,678.71**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
NOTE -27: Cost of materials consumed		
Raw Material Consumed (Cotton and manmade fibre)*		
Opening Stock	36,175.31	56,784.79
Add : Purchases	1,68,729.43	1,54,898.94
	2,04,904.74	2,11,683.73
Less : Loss due to fire(Refer Note 63)	2,828.69	-
Less : Closing Stock	31,525.23	36,175.31
Total	**1,70,550.82**	**1,75,508.42**
*Includes cost of raw material sold		
Refer note 62 for change in accounting policy for valuation of raw material		
NOTE - 28: Purchase of stock- in- trade		
Yarn	232.98	126.55
Total	**232.98**	**126.55**
NOTE - 29: Change in inventories of Work-In-Progress and Finished Goods		
Inventories at the beginning of the period		
a) Work-In-Progress	2,309.75	2,588.46
b) Finished Goods	3,043.61	2,763.08
	5,353.36	**5,351.54**
Inventories at the end of the period		
a) Work-In-Progress	2,381.68	2,309.75
b) Finished Goods	3,546.85	3,043.61
	5,928.53	**5,353.36**
(Increase)/Decrease in Stock	**(575.17)**	**(1.82)**
Refer note 62 for change in accounting policy for valuation of raw material		
NOTE - 30: Employee benefits Expense		
a) Salaries and Wages	12,780.69	12,833.50
b) Contribution to Provident and Other Funds	1,288.27	1,272.10
c) Staff Welfare expense	175.29	159.72
Total	**14,244.25**	**14,265.32**
NOTE - 31: Finance Cost		
a) Interest on Bank Borrowings	2,729.92	3,899.52
b) Foreign Exchange Fluctuation on Foreign Currency Loans (To the extent regarded as an adjustment to Interest Cost)	1,231.98	893.25
c) Interest on lease liabilities	38.12	7.21
d) Interest on Income Tax	109.97	60.24
e) Other Borrowing Costs	402.85	166.10
Total	**4,512.84**	**5,026.32**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
NOTE - 32: Other Expenses		
A) Manufacturing Expenses		
a) Power and Fuel	16,442.28	15,519.33
b) Freight,Cartage,Loading/Unloading Expenses	411.62	364.33
c) Packing Material	2,659.89	2,515.10
d) Dyes and Chemicals	796.05	811.05
e) Stores and Spares	1,720.54	1,652.58
f) Machinery Repair & Maintenance	3,386.23	2,844.53
Total (A)	**25,416.61**	**23,706.92**
B) Administrative expenses		
a) Building Repair	174.13	154.67
b) Rent	3.48	23.26
c) Fees and Taxes	105.82	66.61
d) Professional Charges	153.01	157.11
e) Printing and Stationery	55.80	52.50
f) Postage and Telegram	16.55	13.77
g) Telephone Expenses	7.35	6.61
h) Insurance	295.25	241.71
i) Vehicle Maintenance	96.21	123.05
j) Charity and Donation	0.23	0.26
k) Corporate Social Responsibility Expense (also refer note 53)	293.56	555.21
l) Travelling and Conveyance	152.61	131.92
m) Entertainment Expenses	3.22	3.84
n) Director's Sitting Fee	1.65	1.00
o) Payment to Auditors*	30.79	22.48
p) Festival Expenses	69.24	50.30
q) Transportation charges	625.68	564.98
r) Advertisement Expenses	5.04	0.91
s) Allowance for Expected Credit Loss on trade receivables and other financial assets	794.57	1,278.40
t) Difference on account of modification of terms of financial liabilities	-	512.83
u) Property,Plant & Equipment written off	-	39.87
v) Loss due to Fire(Net) (Refer Note 63)	145.91	-
w) Bank Charges	442.64	403.40
x) Miscellaneous Expenses**	401.64	473.06
Total (B)	**3,874.38**	**4,877.75**
C) Selling and Distribution expenses		
a) Freight, Clearing and Forwarding charges and Loading/Unloading Expenses on Sales	4,615.11	4,865.78
b) Rebate and discount	50.37	58.96
c) Commission	2,579.05	2,334.41
Total (C)	**7,244.53**	**7,259.15**
Total (A+B+C)	**36,535.52**	**35,843.82**
*** Payment to Auditors**		
-Audit Fee	20.00	16.50
-Tax Audit Fee	5.00	3.50
-Certification fee	-	0.50
-Reimbursement of expenses	5.79	1.98
	30.79	**22.48**

** Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE-33: Tax Expense recognized

(a) Tax expense recognized in Statement of Profit and loss

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Current tax expense	4,941.00	4,227.00
Tax adjustment related to earlier years	(46.48)	(1.08)
Deferred tax expense	(772.00)	(171.00)
Total	**4,122.52**	**4,054.92**

(b) Reconciliation of tax expense after the application of statutory tax rate on Profit before tax

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit before tax	16,094.90	14,980.25
Tax at Indian tax rate of 25.168%	**4,050.75**	**3,770.23**
Tax effect of adjustments to reconcile expected income tax expense with reported tax expense		
-Expenses not deductible for tax purpose	161.68	343.48
-Expenses/deductions allowable for tax purpose	(31.70)	(70.96)
-Others	(11.73)	13.25
-Tax adjustment related to earlier years	(46.48)	(1.08)
Income tax expense	**4122.52**	**4,054.92**

(c) Tax expense recognized in other comprehensive income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Current tax expense	-	-
Deferred tax expense on remeasurement of Defined Benefit Plans	78.00	28.00
Total	**78.00**	**28.00**

(d) Tax expense recognized directly in equity

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Current Tax	-	-
Deferred Tax	-	-
Total	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE-34 : Movement in Deferred Tax Assets and Liabilities

Year ended 31st March, 2026

Particulars	As at 1st April, 2025	Recognized in profit or loss	Recognized in OCI	As at 31st March, 2026
Deferred tax liabilities				
Difference between carrying value of Property plant and equipment as per books of account and Income tax	3,418.00	(230.00)	-	3,188.00
Unamortized processing charges on term Loans	12.00	(5.00)	-	7.00
Total (A)	**3,430.00**	**(235.00)**	**-**	**3195.00**
Deferred tax assets				
Provision for post retirement benefits and other employee benefits	473.00	43.00	(78.00)	438.00
Allowance for expected credit loss on trade receivables and other financial assets	502.00	199.00	-	701.00
Derivative Financial Instruments	-	286.00		286.00
Others	1.00	9.00	-	10.00
Total (B)	**976.00**	**537.00**	**(78.00)**	**1435.00**
Deferred tax liabilities (Net)C= (A-B)	**2,454.00**	**(772.00)**	**78.00**	**1760.00**

Year ended 31st March, 2025

Particulars	As at 1st April, 2024	Recognized in profit or loss	Recognized in OCI	As at 31st March, 2025
Deferred tax liabilities				
Difference between carrying value of Property plant and equipment as per books of account and Income tax	3,148.00	270.00	-	3,418.00
Unamortized processing charges on term Loans	17.00	(5.00)	-	12.00
Total (A)	**3,165.00**	**265.00**	**-**	**3,430.00**
Deferred tax assets				
Provision for post retirement benefits and other employee benefits	406.00	95.00	(28.00)	473.00
Allowance for expected credit loss on trade receivables and other financial assets	162.00	340.00	-	502.00
Others		1.00		1.00
Total (B)	**568.00**	**436.00**	**(28.00)**	**976.00**
Deferred tax liabilities (Net)C= (A-B)	**2,597.00**	**(171.00)**	**28.00**	**2,454.00**

There are no unrecognised deferred tax assets as at 31st March, 2026 and 31st March, 2025.

Deferred tax assets and liabilities have been set off as they are governed by the same taxation laws.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Note- 35 : Government Grants

S. No.	Particulars	Grants recognised		
		Treatment in financial statements	Year ended 31st March, 2026	Year ended 31st March, 2025
a	**Government grant shown as other operating revenue**			
a.1	Export Incentive in the form of Duty Drawback and Rodtep	Presented under 'Other Operating Revenue' in note 25	5,487.11	6,444.52
	Total (a)		**5,487.11**	**6,444.52**
b	**Government grant shown as other income**			
b.1	Government Grant against employment generation subsidy in accordance with Industrial and Business Development Policy of Govt.of Punjab	Presented under 'Other income' in note 26	709.17	380.45
b.2	Government Grant under Incremental Exports Incentivisation Scheme	Presented under 'Other income' in note 26	-	271.13
	Total (b)		**709.17**	**651.58**
c	**Government grant adjusted in respective expense**			
c.1	Exemption of electricity duty in accordance with industrial and business development policy of Government of Punjab.	Adjusted in Power and Fuel in note 32	1,575.37	1,531.51
c.2	Government Grant against employment generation subsidy in accordance with Industrial and Business Development Policy of Govt.of Punjab	Adjusted in salaries and wages in note 30	430.00	225.00
c.3	Benefit availed under Export Promotion Capital Goods (EPCG) scheme which pertains to the duty saved for which input tax credit is not allowed under Goods and Service tax Act, 2017	Adjusted in Machinery Repair & Maintenance in note 32	253.95	653.82
c.4	Benefit availed under Advance Authorization scheme which pertains to the duty saved for which input tax credit is not allowed under Goods and Service tax Act, 2017	Adjusted in cost of materials consumed in note 27	2,435.25	6,094.10
	Total (c)		**4,694.57**	**8,504.43**
d	**Government grant adjusted in property plant and equipment**			
d.1	Benefit availed under Export Promotion Capital Goods (EPCG) scheme which pertains to the duty saved for which input tax credit is not allowed under Goods and Service tax Act, 2017	Adjusted in cost of property plant and equipment in note 3(a)	-	170.31
	Total (d)		**-**	**170.31**
	Grand total of Government grants recognised(a+b+c+d)		**10,890.85**	**15,770.84**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE-36: Earnings Per Share

Sr.No.	Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
a)	Profit after tax for the year	11,972.38	11,314.60
b)	Less:-Proposed dividend on Preference share	34.16	34.16
c)	Net Profit attributable to Equity Shareholders	11,938.22	11,280.44
d)	Weighted average number of equity shares (in No's)#	12,70,72,000	12,70,72,000
e)	Basic Earnings per share (in ₹)	9.39	8.88
f)	Diluted Earnings per share (in ₹) *	9.39	8.88
g)	Nominal Value per share (in ₹)	1.00	1.00

*There are no dilutive potential equity shares.

On and from the record date of 13th September 2024, the equity shares of the Company have been sub- divided, such that 1 (one) equity share having face value of ₹ 10/- (₹ ten only) each, fully paid-up, stands sub-divided into 10 (ten) equity shares having face value of ₹1/- (₹ one only) each, fully paid-up, ranking pari-passu in all respects. The earnings per share for the prior period have been restated considering the face value of ₹1/- each in accordance with Ind AS 33 - "Earnings per share".

NOTE-37: Contingent Liabilities

Sr. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
a)	Disputed amount in respect of income tax matters.*	304.75	764.75
b)	Disputed amount in respect of electricity matters.	415.00	415.00
	Total	**719.75**	**1,179.75**

*Amount deposited/adjusted against outstanding demand is Nil (Previous year ₹110.90 Lakhs) shown under refund receivable in note no. 24 of Income Tax Liabilities/Assets.

Note: Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decision in the company's favour in respect of all the items listed above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations. Future cash flows in respect of above will be determined only on receipt of judgments/ decisions pending with revenue/ judicial authorities.

NOTE-38:

Commitments

Sr. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
a)	Commitments on account of Capital account remaining to be executed (Net of advances)	59,465.64	166.34
b)	Un-fulfilled export obligations under Export Promotion Capital Goods/Advance authorisation exemption scheme	1,01,311.44	96,036.36

NOTE – 39

Impairment of Assets

In accordance with Ind AS-36 on "Impairment of Assets" the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment there is no such indication and therefore, formal estimate of recoverable amount has not been made. Accordingly, no impairment loss has been provided in the books of account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE-40

Disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Amount remaining unpaid to suppliers as at the end of year.		
i) Trade payables	614.47	393.29
- Principal amount	2.45	2.59
- Interest due		
ii. Payables for purchase of Property, Plant and Equipment		
- Principal amount	67.62	-
- Interest due	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	2.40	2.18
(d) Interest accrued and remaining unpaid at the end of the year	0.05	0.41
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.23	0.57

Note: The amounts have been determined to the extent such parties have been identified on the basis of information available with the company.

NOTE-41

Disclosures on 'Employee Benefits'

(A) Defined Contribution Plan

The Company makes Contribution to Provident Fund and National Pension Scheme for eligible employees under the scheme and recognise the same as expense which is included in the Note 30 "Employee Benefit Expense" to the financial statements under the head "Contribution to provident and other funds". The details of same are as under:

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Contribution to Provident Fund	869.48	856.19
Contribution to National Pension scheme	38.91	32.59
Contribution to Employees' State Insurance	296.65	300.44

Defined Benefit Plan

Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. This defined benefit plan of gratuity is administered by a separate trust that is a legally separate entity. The Company makes annual contributions to the trust and trust is responsible for investments with regard to the assets of the trust. The contributions are invested by the trust in a scheme with Life Insurance Corporation of India. The Company accounts for the liability for gratuity benefits payable in the future based on actuarial valuation using projected unit credit method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

These plans typically expose the Company to actuarial risks such as investment risk,salary risk, interest rate risk and longevity risk.

(i) Investment risk

If the actual return on plan assets is below the expected return, it will create plan deficit

(ii) Salary risk

The present value of defined benefit plan is calculated with the assumption of salary increase of participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Interest risk

The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

(iv) Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plans liability.

The Following table set out the funded status of the gratuity plan and amounts recognised in the balance sheet and other disclosures as required under Ind AS 19 'Employee benefits':

(a) Movement in the present value of the obligations:

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Present value obligation as at beginning of the year	1,594.60	1,411.42
Interest cost	109.95	101.55
Current Service cost	317.57	301.15
Benefits Paid	(150.96)	(108.63)
Actuarial (gain)/ loss on Obligation	(308.37)	(110.89)
Present value obligation as at end of the year	**1,562.79**	**1,594.60**

(b) Movement in Fair Value of Plan Asset

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Fair value of Plan Assets as at beginning of the year	208.01	193.22
Interest Income	14.34	13.90
Contributions	0.93	0.94
Benefits Paid	(0.42)	(0.94)
Remeasurement- Return on plan assets excluding amount included in interest Expenses	1.51	0.89
Fair value of Plan Assets as at end of the year	**224.37**	**208.01**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(c) Amount recognized in Balance Sheet:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value obligation as at end of the year	1,562.79	1,594.60
Fair value of Plan Assets as at end of the year	224.37	208.01
Surplus/(Deficit)	(1,338.41)	(1,386.58)
Effect of asset ceiling if any	-	-
Net Asset/(Liability) recognized in balance sheet	**(1,338.41)**	**(1,386.58)**

The above liability includes short term liability of ₹160.37 Lakhs (previous year ₹115.26 Lakhs).

(d) Amount recognized in Statement of Profit and Loss:

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Current service cost	317.57	301.15
Net Interest cost on net defined benefit liability / (asset)	95.61	87.65
Total Expense recognized in statement of Profit and Loss	**413.18**	**388.80**

The above amount has been included in Note 30 “Employee Benefit Expenses” under the head “Salaries and Wages “in the statement of Profit and Loss.

(e) Amount recognized in Other Comprehensive Income:

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Actuarial (gain)/loss for the year on Obligation	(308.37)	(110.89)
Return on plan assets (excluding amount included in net Interest cost)	(1.51)	(0.89)
Expense/(Income) recognized in Other Comprehensive Income	(309.88)	(111.79)
Bifurcation of Actuarial Gain/Loss on obligation		
1. Actuarial changes arising from changes in demographic assumptions (Gain)/Loss)	-	-
2. Actuarial changes arising from changes in financial assumptions (Gain)/Loss)	(147.57)	59.92
3. Actuarial changes arising from changes in experience adjustments (Gain)/Loss)	(160.80)	(170.81)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(f) Investment details of Fund:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Funds Managed by Insurer (Investment fund with Insurance Company)	224.37	208.01

(g) The principal assumption used for the purpose of actuarial valuation were as follows

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Discount Rate (per annum)	7.65%	6.90%
Rate of increase in compensation levels (per annum)	7.00%	7.00%
Method Used	Projected Unit Credit	Projected Unit Credit

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

(h) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity is computed by varying one actuarial assumption used for valuation of defined benefit obligation by 1.00% keeping all other actuarial assumptions constant. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

The quantitative sensitivity analysis on net liability recognized on account of change in significant actuarial assumptions is as hereunder:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Increase/(Decrease) in liability		
Discount Rate		
1.00% Increase	(166.34)	(186.00)
1.00% decrease	200.93	227.50
Salary Growth Rate		
1.00% Increase	195.48	219.53
1.00% decrease	(164.64)	(183.89)

(i) The expected cash flows in future years are as under:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Within 1 year	160.37	115.26
2-5 years	366.80	356.77
6-10 years	634.35	566.26
Beyond 10 years	3,946.78	3,963.07

(j) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (Previous Year: 13 years).

(k) The expected contribution to the trust during the next year is ₹ 1690.11 Lakhs (Previous Year ₹1802.15 Lakhs).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(B) Other Long-Term Employee Benefit- -Compensated absences

Amount of ₹ 41.60 lakhs towards compensated absences has been recognized in statement of profit and loss in Note 26 “Other Income” under the head “Excess provision written back” for the year ended March 31, 2026. Further, amount of ₹141.75 Lakhs has been recognized in note 30 “Employee benefits Expenses” under the head “Salaries & Wages” for the year ended March 31, 2025.

Liability towards compensated absences as at the end of the year is as under:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current liability	39.67	38.57
Non-current liability	360.01	455.72

NOTE – 42

Company as lessee

(a) Interest expense of ₹ 38.12 Lakhs (Previous year ₹ 7.21 Lakhs) on the lease liabilities has been included under the head finance costs in the Statement of Profit and Loss.

(b) The change in the carrying value of Right of Use asset during the year is as under:

Particulars	Gross Carrying Value	Accumulated Depreciation	Net Carrying Value
Land			
As at 1st April, 2024	-	-	-
Addition during the year	-	-	-
Disposal during the year	-	-	-
Adjustment during the year	-	-	-
Depreciation during the year	-	-	-
As at 31st March, 2025	**-**	**-**	**-**
As at 1st April, 2025	-	-	-
Addition during the year	5,529.66	-	5,529.66
Disposal during the year	-	-	-
Adjustment during the year	-	-	-
Depreciation during the year	-	25.60	(25.60)
As at 31st March, 2026	**5,529.66**	**25.60**	**5,504.06**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Gross Carrying Value	Accumulated Depreciation	Net Carrying Value
Building			
As at 1st April, 2024	127.62	74.02	53.60
Addition during the year	35.75	-	35.75
Disposal during the year	(12.91)	(12.91)	-
Adjustment during the year	(35.28)	(35.28)	-
Depreciation during the year	-	15.25	(15.25)
As at 31st March, 2025	**115.18**	**41.08**	**74.10**
As at 1st April, 2025	115.18	41.08	74.10
Addition during the year	-	-	-
Disposal during the year	-	-	-
Adjustment during the year	-	-	-
Depreciation during the year	-	15.31	(15.31)
As at 31st March, 2026	**115.18**	**56.39**	**58.79**

(c) The depreciation expense on ROU assets of ₹ 40.91 Lakhs (Previous Year ₹ 15.25 Lakhs) is included under depreciation and amortization expense in the statement of Profit and Loss.

(d) The following is the break-up of current and non-current lease liabilities:-

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current lease liabilities	15.89	14.45
Non-current lease liabilities	888.13	65.58
Total	**904.02**	**80.03**

(e) The following is the movement in lease liabilities during the year ended:-

Particulars	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Balance at the beginning of the year	80.03	58.43
Additions during the year	807.73	35.75
Deletion during the year	-	-
Interest during the year	38.12	7.21
Payment of lease liabilities	(21.86)	(21.36)
Balance at the end of the year	**904.02**	**80.03**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(f) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Not later than one year	95.80	21.86
(ii) Later than one year and not later than five years	344.45	64.36
(iii) Later than five years	6,225.17	20.62
Total	**6,665.42**	**106.84**
Less: Amount representing finance charges	**5,761.40**	**26.81**
Present Value of Lease Liabilities	**904.02**	**80.03**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(g) The payment in respect of lease liabilties amounting to ₹ 14.53 Lakh (Previous year ₹14.15 Lakh) and in respect of interest amounting to ₹7.33 Lakh (Previous year ₹7.21 Lakh) has been shown under cash flows from financing activities in statement of cash flows.

(h) Rental expense recognized for short-term leases was ₹3.48 Lakhs during the year ended 31st March , 2026 (31st March 25: ₹23.25 Lakhs) has been disclosed as rent under the head 'Other expenses' in the statement of Profit and Loss.

Company as lessor

The Company has given on lease certain portion of its office / factory premises under operating leases. These leases are not non-cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation for the year in respect of such portion of the leased premises are not separately identifiable. These assets have not been classified as Investment property as it does not meet the criteria specified in Ind AS 40. Rental income amounting to ₹4.70 Lakhs (Previous year is ₹4.65 Lakhs) in respect of these leases is recognised in the statement of profit and loss under "Other income".

Total of future minimum lease rent receipts on an undiscounted basis are as follows:-

Particulars	As at 31st March, 2026	As at 31st March, 2025
Not Later than one year	3.47	3.47
Later than one year but not later than five years	0.70	2.50
Later than five years	-	-

NOTE–43: Related Party Transactions:

1 Related Parties and their relationship:

a) Key Management Personnel

* Munish Avasthi : Chairman & Managing Director
* Naresh Kumar Jain : Whole Time Director**
* Chetan Rupal : Whole Time Director***
* Anjali Avasthi : Non Executive Non Independent Director
* Sandeep Kapur : Independent Director
* Prashant Kochhar : Independent Director#
* Harpreet Kaur Kang : Independent Director
* Puneet Singhania : Independent Director***
* Sandeep Sachdeva : Chief Financial Officer
* Lovlesh Verma : Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

b) Close Family Members of Key Managerial Personnel ##

- Parveen Avasthi
- Dhruv Avasthi

c) Enterprises in which Key Management Personnel are able to exercise significant influence ##

- Sobhagia Sales Private Limited
- Sobhagia Clothing Company
- Marvel Dyers & Processors Private Limited
- Raj Kumar Avasthi (HUF)
- Angel Finvest Private Limited

d) Post Employment Benefit Plan Trust

- Sportking India Limited Employee Group Gratuity Trust

e) Entity in respect of which Company is an associate

- Sobhagia Logistics Private Limited

**Demised on 07/06/2025
***Appointed with effect from 2nd August 2025
Retired with effect from 30th August 2025
Only those Parties have been mentioned with whom transactions have taken place during the current and/or previous year.

2). Transactions with related parties during the year and balances outstanding at the year end:

Particulars	Key Management Personnel		Entity in respect of which Company is an associate		Close family member of Key Management Personnel		Enterprises in which Key Management Personnel are able to exercise significant influence	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Nature of transaction #								
Purchase of Goods and services ##								
Sobhagia Sales Private Limited	-	-	-	-	-	-	239.30	473.05
Sobhagia Clothing Company	-	-	-	-	-	-	-	6.85
Marvel Dyers & Processors Private Limited	-	-	-	-	-	-	13.65	14.57
	-	-	-	-	-	-	252.95	494.47
Purchase of Property plant & equipment								
Munish Avasthi	2.41	-	-	-	-	-	-	-
	2.41	-	-	-	-	-	-	-
Sale of Goods and Services								
Sobhagia Sales Private Limited	-	-	-	-	-	-	1,015.35	1,048.90
Sobhagia Clothing Company	-	-	-	-	-	-	-	31.96
Marvel Dyers & Processors Private Limited	-	-	-	-	-	-	-	7.66
	-	-	-	-	-	-	1,015.35	1,088.52
Sale of Property plant & equipment								
Sobhagia Sales Private Limited	-	-	-	-	-	-	1.97	-
	-	-	-	-	-	-	1.97	-
Remuneration Paid (refer footnote 1 below)						-	-	-
Munish Avasthi	222.00	222.00	-	-	-	-	-	-
Naresh Kumar Jain	3.80	20.70	-	-	-	-	-	-
Chetan Rupal	7.97	-	-	-	-	-	-	-
Sandeep Sachdeva	43.20	39.43	-	-	-	-	-	-
Lovlesh Verma	12.22	10.80	-	-	-	-	-	-
	289.19	292.93	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Key Management Personnel		Entity in respect of which Company is an associate		Close family member of Key Management Personnel		Enterprises in which Key Management Personnel are able to exercise significant influence	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Director Sitting Fee Paid								
Harpreet Kaur Kang	0.40	0.30	-	-	-	-	-	-
Prashant Kochar	0.25	0.40	-	-	-	-	-	-
Sandeep Kapoor	0.55	0.30	-	-	-	-	-	-
Puneet Singhania	0.45	-	-	-	-	-	-	-
	1.65	1.00	-	-	-	-	-	-
Rent paid								
Munish Avasthi	3.20	2.95	-	-	-	-	-	-
Anjali Avasthi	6.00	6.00	-	-	-	-	-	-
Parveen Avasthi	-	-	-	-	4.86	4.86	-	-
Dhruv Avasthi	-	-	-	-	3.00	2.75	-	-
Raj Kumar Avasthi (HUF)	-	-	-	-	-	-	4.80	4.80
	9.20	8.95	-	-	7.86	7.61	4.80	4.80
Rent Received								
Sobhagia Sales Private Limited	-	-	-	-	-	-	3.54	3.54
	-	-	-	-	-	-	3.54	3.54
Dividend on equity shares paid during the year								
Munish Avasthi	220.22	110.11	-	-	-	-	-	-
Anjali Avasthi	0.80	0.40	-	-	-	-	-	-
Sobhagia Logistics Private Limited	-	-	305.32	152.66	-	-	-	-
Parveen Avasthi	-	-	-	-	62.16	31.08	-	-
Raj Kumar Avasthi (HUF)	-	-	-	-	-	-	-	-
Sobhagia Sales Private Limited	-	-	-	-	-	-	161.88	80.94
Angel Finvest Private Limited	-	-	-	-	-	-	185.86	92.93
	221.02	110.51	305.32	152.66	62.16	31.08	347.74	173.87
Dividend on preference shares paid during the year								
Munish Avasthi	6.13	6.13	-	-	-	-	-	-
Anjali Avasthi	2.25	2.25	-	-	-	-	-	-
Parveen Avasthi	-	-	-	-	14.10	14.10	-	-
Angel Finvet Private Ltd	-	-	-	-	-	-	3.02	3.02
Sobhagia Sales Private Limited	-	-	-	-	-	-	8.67	8.67
	8.38	8.38	-	-	14.10	14.10	11.69	11.69
Amount Receivable/ (Payable) at the year end								
Shown under Trade receivables in note 7								
Sobhagia Sales Private Limited	-	-	-	-	-	-	817.05	247.13
Shown under Trade payables in note 20								
Marvel Dyers & Processors Private Limited	-	-	-	-	-	-	-	(1.31)
Shown under Dues to employees in note 21								
Munish Avasthi	(6.19)	(28.70)	-	-	-	-	-	-
Naresh Kumar Jain	-	(1.01)	-	-	-	-	-	-
Chetan Rupal	(0.75)	-	-	-	-	-	-	-
Sandeep Sachdeva	(2.16)	(1.46)	-	-	-	-	-	-
Lovlesh Verma	(0.93)	(0.77)	-	-	-	-	-	-
	(10.03)	(31.94)	-	-	-	-	817.05	245.82

The transactions with related parties reported above are inclusive of indirect taxes, wherever applicable.

Purchase of Goods and services includes purchase of cloths and garments amounting to ₹230.74 Lakhs (previous year ₹ 434.55 Lakhs) for distribution under corporate social responsibility expense of the Company (refer note 53)

Contribution has been made to Sportking India Limited Employee Group Gratuity Trust during the current period amounting to ₹7.55 Lakhs (Previous year ₹7.00 Lakhs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Transactions with Key Managerial Personnel

Particulars	Current Year	Previous Year
Short term Employee Benefits	282.02	286.11
Post-Employment Benefits (refer footnote 1 below)	7.17	6.82
Rent Paid	9.20	8.95
Director Sitting Fee Paid	1.65	1.00
Dividend on equity shares paid during the year	221.02	110.51
Dividend on preference shares paid during the year	8.38	8.38

Notes:-

1. Managerial remuneration does not include provisions made for Gratuity and Compensated absences as these are determined on actuarial basis for the company as a whole.
2. Terms and conditions of transactions with related parties

   All related party transactions entered during the year were in ordinary course of the business and outstanding balances at the year-end are unsecured and settlement shall occur in cash.
3. There have been no guarantees provided or received for any related party.
4 The Company has not recorded any impairment in respect of any bad or doubtful debts due from related parties during current year and previous year.

NOTE-44

(A) Ageing schedule of Trade receivables from due date of payment

(i) As on 31st March, 2026

Particulars	Outstanding for following period from due date of payments						
	Not Due	Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-Considered Good	31,360.46	8,213.60	80.66	-	-	-	39,654.72
(II) Undisputed Trade Receivables-Which have significant increase in Credit risk	-	-	-	32.95	-	-	32.95
(iii) Undisputed Trade Receivables-Credit Impaired	-	-	-	-	16.04	105.65	121.69
(iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	19.04	19.04
Allowance for expected credit loss	(28.22)	(14.78)	(0.30)	(24.71)	(16.04)	(124.69)	(208.74)
Total (A)	**31,332.24**	**8,198.82**	**80.36**	**8.24**	**-**	**-**	**39,619.66**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(i) As on 31st March, 2025

Particulars	Outstanding for following period from due date of payments						
	Not Due	Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-Considered Good	41,072.05	4,573.14	11.71	-	-	-	45,656.90
(II) Undisputed Trade Receivables-Which have significant increasein Credit risk	-	-	-	42.94	-	-	42.94
(iii) Undisputed Trade Receivables-Credit Impaired	-	-	-	-	26.91	66.85	93.76
(iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	19.04	19.04
Allowance for expected credit loss/credit impairment (B)	(41.53)	(4.63)	(0.01)	(21.47)	(26.91)	(85.89)	(180.44)
Total (A)	**41,030.52**	**4,568.51**	**11.70**	**21.47**	**-**	**-**	**45,632.20**

(B) Ageing schedule of Trade Payables from due date of payment

(i) As on 31st March, 2026

Particulars	Outstanding for following period from due date of payments						
	Unbilled	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) Micro Enterprises and Small Enterprises	11.06	490.70	115.16	-	-	-	616.92
(ii) Others	2,320.24	1,571.29	1,565.56	13.38	6.09	6.64	5,483.20
(iii) Disputed Dues-Micro Enterprises and Small Enterprises		-	-	-	-	-	-
(iv) Disputed Dues-Others		-	-	-	-	-	-
Total	**2,331.30**	**2,061.99**	**1,680.72**	**13.38**	**6.09**	**6.64**	**6,100.12**

(ii) As on 31st March, 2025

Particulars	Outstanding for following period from due date of payments						
	Unbilled	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) Micro Enterprises and Small Enterprises	-	391.52	4.36	-	-	-	395.88
(ii) Others	2102.92	3,633.08	2,949.68	6.08	2.92	14.44	8,709.12
(iii) Disputed Dues-Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
Total	**2,102.92**	**4,024.60**	**2,954.04**	**6.08**	**2.92**	**14.44**	**9,105.00**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(C) Detail of amount due from/to directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

1. The trade receivables include ₹817.05 Lakhs is (previous year ₹247.13 Lakhs) due from the firms and private companies in which any director is a partner or a director or a member.
2. The advances to suppliers include Nil (previous year Nil) paid to the firms and private companies in which any director is a partner or a director or a member.
3. The trade payables include ₹Nil Lakhs (previous year ₹1.31 Lakhs) due to the firms and private companies in which any director is a partner or a director or a member.
4. The advances from customers include Nil (previous year Nil) received from the firms and private companies in which any director is a partner or a director or a member.

NOTE- 45

Disclosure under Ind AS 115 " Revenue from Contracts with Customers"

(i) Disaggregation of revenue for contract with customers

(a) Sale of Products / Services

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Sale of Yarn	2,06,454.38	2,08,570.49
Sale of Waste	23,409.02	22,750.27
Sale of Traded Goods/ Raw material	13,922.19	14,351.14
Sale of Services-Job work charges	14.43	22.00
Total (A)	**2,43,800.02**	**2,45,693.90**
Other Operating Revenue (B)	5,785.64	6,729.04
Revenue from operations as per statement of profit and loss (A+B)	**2,49,585.66**	**2,52,422.94**

(b) Geographical

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Revenue from customers within India	1,14,263.13	1,17,040.20
Revenue from customers outside India (including sales to special economic zone in India)	1,29,536.89	1,28,653.70
Total	**2,43,800.02**	**2,45,693.90**

(c) Timing of Revenue Recognition

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Revenue from goods transferred to customers at a point of time	2,43,800.02	2,45,693.90
Revenue from goods transferred to customers over the period	-	-
Total	**2,43,800.02**	**2,45,693.90**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(ii) Trade receivables and Contract Balances

The company classifies the right to consideration that are unconditional in exchange for deliverables as receivable. Trade receivables are presented net of impairment in balance sheet.

The balances of trade receivables and advance from customers (contract liabilities) at the beginning and end of the reporting period have been disclosed at note no. 7 and 22 respectively.

The revenue recognised during the year ended 31st March 2026 includes revenue against advances from customers amounting to ₹233.35 Lakhs (Previous Year ₹218.16 lakhs) at the beginning of the year.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

The revenue of Nil has been recognised during the year ended 31st March 2026 (previous year Nil) against performance obligations satisfied (or partially satisfied) in previous periods.

(iv) Reconciliation of revenue from contract with customer

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
A. Revenue from contract with customer as per the contract price	2,43,800.02	2,45,693.90
B. Adjustments made to contract price on account of :-		
-Discounts / Rebates/Others	-	-
Revenue from contract with customer (A-B)	2,43,800.02	2,45,693.90

NOTE -46: Segment Reporting

The Company is primarily in the business of manufacturing, purchase and sale of textile yarns. The Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM), who evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is only one reportable segment for the Company.

Geographical Information:

The Company is domiciled in India. The company operates in two principal geographical areas i.e India and outside India.

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Revenue from Sale of Products/Services		
Within India	1,14,263.13	1,17,040.20
Outside India (including sales to special economic zone in India)	1,29,536.89	1,28,653.70
Total Revenue	**2,43,800.02**	**2,45,693.90**

The Company's revenue from sale of Products/Services from external customers by location of the customers is as follows:-

Location of Customer	Year ended 31st March, 2026	Year ended 31st March, 2025
India	1,14,263.13	1,17,040.21
Bangladesh	92,719.30	98,369.43
Others*	36,817.59	30,284.26
Total	**2,43,800.02**	**2,45,693.90**

*Others includes revenue from countries having less than 5% of total revenue from outside India.

The company has business operations only in India and does not hold any non-current asset outside India.

Information about major customers

The transactions with any single external customer do not exceed 10% of the company's total revenue during the year ended 31st March 2026 and 31st March 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE-47: Assets pledged as Security

The carrying amount of assets pledged as security for current and non current borrowings are:-

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current Assets		
Financial Assets		
Trade receivables	39,619.66	45,632.20
Less Bills Discounted	-	-
Trade receivables (Excluding Bills Discounted)	39,619.66	45,632.20
Fixed Deposits	159.50	152.14
Non-Financial Assets		
Inventories	39,128.97	43,491.89
Total Current Assets Pledged as Security (A)	**78,908.13**	**89,276.23**
Non Current Assets		
Property Plant and Equipment	66,425.64	74,881.01
Total Non Current Assets Pledged as Security (B)	**66,425.64**	**74,881.01**
Total Assets Pledged as Security (A+B)	**1,45,333.77**	**1,64,157.24**

NOTE- 48: Financial Instruments- Classification and Fair Value Measurement

(a) Financial Instruments by Category

The carrying value and fair value of financial instruments at the end of each reporting period is as follows:-

Particulars	At Amortized cost	At fair value through profit and loss	At fair value through OCI	Total carrying value
As at 31st March, 2026				
Financial Assets:				
Investments in Equity Instruments(Refer note 4 (a))	-	-	1,410.50	1,410.50
Trade receivables (refer note 7)	39,619.66	-	-	39,619.66
Cash and Cash Equivalents (refer note 8)	67.32	-	-	67.32
Other bank balances (refer note 9)	41.61	-	-	41.61
Other financial assets (refer note 4 (b) & 10)	9,537.51	-	-	9,537.51
Total	**49,266.10**	**-**	**1,410.50**	**50,676.60**
Financial Liabilities:				
Borrowings (refer note 14 &18)	46,267.32	-	-	46,267.32
Lease liabilities (refer note 15 & 19)	904.02	-	-	904.02
Trade Payables (refer note 20)	6,100.12	-	-	6,100.12
Other financial liabilities (refer note 21)	2,652.84	1,700.55	-	4,353.39
Total	**55,924.30**	**1,700.55**	**-**	**57,624.85**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	At Amortized cost	At fair value through profit and loss	At fair value through OCI	Total carrying value
As at 31st March, 2025				
Financial Assets:				
Investments in Equity Instruments(Refer note 4 (a))	-	-	-	-
Trade receivables (refer note 7)	45,632.20	-	-	45,632.20
Cash and Cash Equivalents (refer note 8)	49.95	-	-	49.95
Other bank balances (refer note 9)	25.31	-	-	25.31
Other financial assets (refer note 4 (b) & 10)	6,173.52	-	-	6,173.52
Total	**51,880.98**	**-**	**-**	**51,880.98**
Financial Liabilities:				
Borrowings (refer note 14 &18)	58,475.66	-	-	58,475.66
Lease liabilities (refer note 15 & 19)	80.03	-	-	80.03
Trade Payables (refer note 20)	9,105.00	-	-	9,105.00
Other financial liabilities (refer note 21)	2,605.33	484.68	-	3,090.01
Total	**70,266.01**	**484.68**	**-**	**70,750.70**

(b) Fair Value Measurement

Fair Value hierarchy

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The below is the fair value measurement hierarchy used by the Company to determine the fair value of financial instruments, grouped into Level 1 to Level 3:-

Level 1 - This level of hierarchy includes assets or liabilities that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level of hierarchy includes assets or liabilities that are measured using inputs, other than quoted prices included within Level 1, that are observable either directly (i.e; as prices) or indirectly (i.e; derived from prices)

Level 3 - This level of hierarchy includes assets or liabilities that are measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data

Fair value of financial assets and liabilities measured at fair value:

Particulars	Fair Value	Level 1	Level 2	Level 3
Particulars				
As at 31st March, 2026				
Financial Assets (Non-current)				
-Investments in Equity Instruments	-	-	-	1,410.50
Other financial Assets (current)				
-Derivative financial instruments	-	-	-	-
Other financial liabilities (current)				
-Derivative financial instruments	1,700.55	-	1,700.55	-
As at 31st March, 2025				
Other financial assets (current)				
-Derivative financial instruments	-	-	-	-
Other financial liabilities (current)				
-Derivative financial instruments	484.68	-	484.68	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Reconciliation of fair value of mesurement categorised within level 3 of the value hierarchy

Particulars	As at 31st March, 2026	As at 31st March, 2025
Fair value as at the beginning of the year	-	-
Purchase of Financial Instruments	1,410.50	-
Sales of Financial Instruments	-	-
Gain/(loss) recognised in OCI	-	-
Fair value as at the end of the year	1,410.50	-

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year ended 31st March, 2026 and 31st March 2025.

Valuation techniques used to determine fair value

The Company maintains policies and procedures to value financial assets and financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are measured at the amount 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 carrying amounts of financial assets & financial liabilities measured at amortized cost i.e., of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value, due to their short term nature.

Borrowings are evaluated by the Company based on parameters such as interest rates and other risk characteristics. Risk of non-performance for the company is considered to be insignificant in valuation.

For foreign exchange forward contracts categorised as level 2, the fair value is determined using the prevailing forward exchange rates at the reporting date, i.e. mark to market values, provided by authorised dealer banks dealing in such foreign exchange contracts.

Investment in equity instruments of Evincea Renewables (Seven) Private Limited (SPV) have been measured at the transaction price at which the investment was made during the year based on the discounted cash flow method as per the valuation report from a registered valuer. In accordance with the Shareholder's Agreement ('SHA') executed amongst the Company, Evincea Renewables (Seven) Private Limited (SPV) and Manikaran Renewables Limited (Promoter of the SPV), the Company has an option to sell the shares to the promoter of SPV or its nominee, at a price not less that the price at which the shares were acquired by the Company.

NOTE 49: Capital Management

For the purposes of the Company's capital management, capital includes equity share capital, securities premium and all other reserves attributable to the equity shareholder The primary objective of the Company's Capital Management is to maximize the return to shareholders and also maintain an optimal capital structure to reduce cost of capital.

The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'Net debt' to 'Total Equity'. For this purpose, net debt is defined as total interest-bearing loans and borrowings less cash and cash equivalents. The Company's Net debt to equity ratio is as follows.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Borrowings		
Long Term Borrowings	29,524.92	35,267.06
Short Term Borrowings	16,742.40	23,208.60
Total Debt	**46,267.32**	**58,475.66**
Less:		
Cash & Cash Equivalents	67.32	49.95
Net Debt (A)	**46,200.00**	**58,425.71**
Total Equity (B)	**1,11,590.04**	**1,00,690.68**
Gearing Ratio (Net Debt/Total Equity) (A/B)	**0.41**	**0.58**

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the reporting period.

There were no changes in the objectives, policies or processes for managing capital from prior year.

The company is not subject to any externally imposed capital requirement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(b) Loan Covenants

In order to achieve overall objective of capital management, amongst other things, the management aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The management carefully negotiates the terms and conditions of the loans and ensures adherence to all the financial covenants. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March, 2026 and 31st March, 2025.

NOTE-50 Financial Risk Management

The principal financial assets of the Company include investments, trade and other receivables, loans and advances and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. There are appropriate policies and procedures in place through which such financial risks are identified, measured and managed by the Company. The Audit Committee and the Board are regularly apprised of these risks and measures used to mitigation these risks.

I. 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 comprise three types of risk: foreign currency risk, interest rate risk and investment risk.

a) Foreign Currency Risk

The company operates internationally and business is transacted in several currencies. The export sales of company comprise around 50% of the total sales of the company, Further the company also imports certain assets and raw material/ stores etc. from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

a) The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts	No of Deals		Amount in Foreign Currency		Amount in INR	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
USD/INR Sell Forward	186.00	159.00	936.52	728.46	86,214.79	62,791.36
USD/INR Buy Forward	61.00	23.00	697.87	357.85	64,944.03	31,376.77

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

b) The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

(Amount in FC-Lakhs unless otherwise stated)

Particulars	Currency	As at 31st March, 2026			As at 31st March, 2025		
		Total Exposure	Forward contracts (Derivative Financial Instruments)	Net Exposure	Total Exposure	Forward contracts (Derivative Financial Instruments)	Net Exposure
a) Exposoure on acount of Financial Assets							
Trade Receivables (A)	USD	357.20	357.20	-	479.25	479.25	-
	Euro	-	-	-	-	-	-
	CHF	-	-	-	-	-	-
b) Exposure on account of Financial Liabilities							
Borowings,Trade & Other Payables (B)							
	USD	416.80	288.40	128.40	495.35	296.87	198.48
	Euro	-	-	-	0.07	-	0.07
	CHF	-	-	-	0.56	-	0.56
Net Exposure to Foreign Currency-Payables/ (Receivable)B-A							
	USD			128.40			198.48
	Euro			-			0.07
	CHF			-			0.56

Exchange rates at the end of Reporting Period : -

Particulars	Rates as on 31.03.2026	Rates as on 31.03.2025
INR/USD	94.835	85.475
INR/EURO	108.995	92.070
INR/CHF	118.565	96.828

Foreign Currency sensitivity

The impact on the Company's profit before tax due to change in the fair value of monetary assets and liabilities on account of reasonably possible change in foreign exchange rates (with all other variables held constant) will be as under:

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	₹ strengthens by 5%	₹ weakens by 5%	₹ strengthens by 5%	₹ weakens by 5%
Impact on profit for the year				
USD	608.83	(608.83)	848.25	(848.25)
Euro	-	-	0.34	(0.34)
CHF	-	-	2.72	(2.72)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

b) 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.

As the Company has no significant interest -bearing assets, the income and operating cash flows are substantially independent 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 debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Variable Rate Instruments		
Borrowings (Non -Current) (Including Current Maturities)	32,246.25	40,138.51
Borrowings (Current)	12,273.55	16,991.94
Total Variable Rate Borrowings	**44,519.80**	**57,130.45**
Fixed Rate Instruments		
Borrowings (Non -Current)	-	-
Borrowings (Current)	-	-
Total Fixed Rate Borrowings*	**-**	**-**

*There are no fixed rate borrowings.

Senstivity analysis for variable rate instruments

The below would be the impact on Profit before tax due to 100 basis point change in interest rates

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Increase 100 Basis	Decrease 100 Basis	Increase 100 Basis	Decrease 100 Basis
Impact on profit for the year	(445.20)	445.20	(571.30)	571.30

c) Investment Risk:

The Company is exposed to price risk arising from investment in equity instruments measured at Fair Value through Other comprehensive income.

Senstivity analysis for change in price

The impact on Other comprehensive income due to 5% change in value with all other variables constant will be as under:

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Increase 5% in price	Decrease 5% in price	Increase 5% in price	Decrease 5% in price
Impact on Other comprehensive income for the year	70.53	(70.53)	NA	NA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

II. Liquidity Risk

Liquidity risk arises from the Company"s inability to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The financial liabilities of the company,other than derivatives,include loans and borrowings,trade and other payables.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The Company's finance department is responsible for liquidity and funding arrangements. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company"s net liquidity position on the basis of expected cash flows in near future.

(a) Maturity analysis of financial liabilities and financial assets

i) Maturity analysis of financial liabilities

Particulars	Less than One Year	More than one year and less than five years	More than five Years	Total
As at 31st March, 2026				
Borrowings	16,742.40	25,490.94	4,033.98	46,267.32
Lease liabilities	15.89	37.43	850.70	904.02
Trade payables	6,100.12	-	-	6,100.12
Other Liabilities	4,353.39	-	-	4,353.39
Total	**27,211.80**	**25,528.37**	**4,884.68**	**57,624.85**
As at 31st March, 2025				
Borrowings	23,208.60	26,911.62	8,355.44	58,475.66
Lease liabilities	14.45	48.50	17.08	80.03
Trade payables	9,105.00	-	-	9,105.00
Other Liabilities	3,090.01	-	-	3,090.01
Total	**35,418.06**	**26,960.12**	**8,372.52**	**70,750.70**

ii) Maturity analysis of financial assets

Particulars	Less than One Year	More than one year and less than five years	More than five Years	Total
As at 31st March, 2026				
Investments in Equity Instruments	-	-	1,410.50	1,410.50
Trade receivables	39,619.66	-	-	39,619.66
Cash and Cash Equivalents	67.32	-	-	67.32
Other bank balances	41.61	-	-	41.61
Other financial assets	7,226.62	146.54	2,164.35	9,537.51
Total	**46,955.21**	**146.54**	**3,574.85**	**50,676.60**
As at 31st March, 2025				
Trade receivables	45,632.20	-	-	45,632.20
Cash and Cash Equivalents	49.95	-	-	49.95
Other bank balances	25.31	-	-	25.31
Other financial assets	3,886.64	139.49	2,147.39	6,173.52
Total	**49,594.10**	**139.49**	**2,147.39**	**51,880.98**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(b) Financing arrangements

The company has access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Expiring within one year (Cash credit and other working capital facilities)	**33,726.45**	**29,008.06**

Note: Calculated on the basis of sanctioned working capital limit. There is no restriction on the use of these facilities

III. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss.The exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies.The Company's credit risk in case of all other financial instruments is negligible.

The company assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business.The credit limit of each customer is defined in accordance with this assessment.Outstanding customer receivables are regularly monitored and shipments to overseas customers are generally covered by letters of credit of foreign bank.

The Company's maximum exposure to credit risk as at 31st March, 2026 and 31st March, 2025 is the carrying value of the financial assets.

Expected Credit Loss for Financial Assets

The Company uses a provision matrix to determine expected credit loss on its financial assets. The provision matrix is based on its historically observed default data over the expected life of the financial assets and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

(i) Financial assets to which loss allowance is measured using 12 months Expected Credit Loss:

Particulars	Gross Carrying Amount	Expected Credit Loss	Carrying amount net of ECL
As at 31st March, 2026			
Cash and bank balances and other financial assets (Refer note 4,8,9,10)	12,223.48	2,577.04	9,646.44
As at 31st March, 2025			
Cash and bank balances and other financial assets (Refer note 4,8,9,10)	8,059.56	1,810.78	6,248.78

(ii) Financial assets to which loss allowance is measured on simplified approach using lifetime Expected Credit Loss:

Particulars	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of ECL
As at 31st March 2026				
Trade Receivables (refer note 7)	39,828.40	Refer table (1) below	208.74	39,619.66
As at 31st March 2025				
Trade Receivables (refer note 7)	45,812.64	Refer table (2) below	180.44	45,632.20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

1) Expected Probability of Default in case of Trade Receivables as on 31.03.2026

Period from Due Date	Expected probability of default
Not Due	0.09%
Less than 30 days	0.09%
31 days- 90 days	0.37%
91 days- 180 days	0.37%
181 days- 360 days	0.37%
1-2 years	75.00%
2-3 years	100.00%
More than 3 years	100.00%

2) Expected Probability of Default in case of Trade Receivables as on 31.03.2025

Period from Due Date	Expected probability of default
Not Due	0.10%
Less than 30 days	0.10%
31 days- 90 days	0.10%
91 days- 180 days	0.10%
181 days- 360 days	0.10%
1-2 years	50.00%
2-3 years	100.00%
More than 3 years	100.00%

iii) Movement in Allowance for Expected credit loss

Particulars	Trade receivables	Other financial assets
As at 1st April, 2024	118.72	594.10
Provided/reversal during the year	61.72	1,216.69
As at 31st March, 2025	**180.44**	**1,810.79**
As at 1st April, 2025	**180.44**	**1,810.79**
Provided/reversal during the year	28.30	766.25
As at 31st March, 2026	**208.74**	**2,577.04**

Revenue from top five customers during the year ended 31st March 2026 and 31st March 2025 is ₹43269.35 Lakhs and ₹43265.96 Lakhs which represents 17.75% and 17.61% of sales of products in the respective year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE – 51

The Company has taken borrowings from banks on the basis of security of inventories and trade receivable (i.e. current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-a-vis books of accounts. The summary of differences and reasons of material discrepancies in this regard is as under:-

Quarter ending	Name of the Bank	Particulars of security provided	Amount as per books of accounts	Amount as reported in the quarterly statement	Amount of difference	Reason for material differences
30th June, 2025	State Bank of India and consortium of banks	Inventories	40,155.99	40,381.34	(225.35)	Differences are not material.
		Trade receivables (excluding Bills discounted and gross of Expected Credit Loss)	45,946.09	45,664.54	281.55	Differences are not material.
30th Sept, 2025	State Bank of India and consortium of banks	Inventories	42,821.96	42,775.96	46.00	Differences are not material.
		Trade receivables (excluding Bills discounted and gross of Expected Credit Loss)	48,476.52	47,163.41	1,313.11	Difference is mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.
31st Dec, 2025	State Bank of India and consortium of banks	Inventories	55,247.71	55,054.97	192.74	Difference is not material.
		Trade receivables (excluding Bills discounted and gross of Expected Credit Loss)	39,381.69	39,053.09	328.60	Difference is not material.
31st March, 2026	State Bank of India and consortium of banks	Inventories	39,128.97	39,447.14	(318.17)	Difference is not material.
		Trade receivables (excluding Bills discounted and gross of Expected Credit Loss)	39,828.40	38,079.75	1,748.65	Difference is mainly due to reinstatement of export debtors & Goods in transit which was accounted for after submission of statement to the banks.

Note: Trade receivables discounted with banks have not been considered in the above figures as the same is not included in the statement submitted to banks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE – 52: Key Financial Ratios

Particulars	Numerator	Denominator	As at and year ended 31st March, 2026	As at and year ended 31st March, 2025	Variance	Reasons for Variation (In case of Variation is more than 25%)
Current ratio (in times)	Current assets	Current liabilities	3.25	2.63	23.57%	
Debt – Equity ratio (in times)	Total Debt	Total Equity	0.41	0.58	-29.31%	The fall in debt equity ratio is mainly due to less utilisation of working capital limits as at the end of current year as compared to preceeding year
Debt Service Coverage ratio (in times)	Earnings available for debt service(1)	Debt Service(2)	1.98	2.08	-4.81%	
Return on Equity ratio (ROE) (in %)	Profit for the year	Average Total Equity	11.25%	11.83%	-4.95%	
Inventory turnover ratio (in times)	Sale of goods	Average inventory	5.90	4.56	29.39%	The increase in Inventory Turnover Ratio is mainly due to significant reduction in average inventory levels through improved inventory management.
Trade receivables turnover ratio (in times)	Sales of goods and services	Average Trade Receivable	5.72	6.05	-5.45%	
Trade payables turnover ratio (in times)	Credit Purchases	Average Trade Payables	25.50	18.19	40.19%	The increase in Trade Payables Turnover Ratio is mainly due to faster settlement of supplier dues during the year.
Net capital turnover ratio (in times)	Sales of goods and services	Average Working Capital	3.85	4.32	-10.88%	
Net profit ratio (in %)	Profit for the year	Revenue from operations	4.80%	4.48%	7.02%	
Return on capital employed (ROCE) (in %)	Earnings before interest and tax	Average Capital Employed(3)	12.83%	11.94%	7.46%	
Return on investment (in %)	Return on investment	Average Investment	NA	NA	NA	

(1) Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like profit/ loss on sale of property plant and equipment

(2) Interest & Lease payments during the year + Principal repayments of term loans during the year

(3) Tangible Net Worth + Total Debt + Deferred Tax Liabilities

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

NOTE -53

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds were utilized through out the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
(a) Amount required to be spent by the company during the year	**293.56**	**555.21**
(b) Amount of expenditure incurred during the year		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	283.69	530.73
(c) Excess expenditure incurred brought forward from previous year	11.85	36.33
(d) Excess expenditure incurred carried forward to next year	1.99	11.85
(e) Amount recognized in statement of profit and loss (b+c-d)	293.56	555.21
(f) Shortfall of current year adjusted against excess expenditure incurred in earlier year	-	-
(g) Excess expenditure carried forward to next year (e-f)	-	-
(h) Reasons of shortfall	NA	NA
(i) Nature of CSR activities	Refer below	Refer below
(j) Detail of related party transactions		
-Purchase of garments for distribution under CSR	230.74	434.55

Nature of CSR activities undertaken during 2025-26 and 2024-25

Distribution of garments to school students,distribution of Spectacles and Nutrition Bags at Govt Hospitals,contribution towards to Green Revolution Cell to maintain ecological balance,maintaing quality of soil, Installation of Water Coolers at schools and certain other activites as mentioned as per schedule VII of Companies Act, 2013.

NOTE-54

Ageing schedule of Capital Work in Progress

Particulars	As at 31st March 2026	As at 31st March 2025
i) Building Under Construction	1,254.68	29.26
ii) Machinery under erection/installation	216.12	464.76
Total	**1470.80**	**494.02**

(i) As at 31st March, 2026

Amount in CWIP for a period of					
Particular	**<1 Year**	**1-2 Years**	**2-3 Years**	**More Than 3 Years**	**Total**
(i) Projects in progress	1,470.80	-	-	-	**1,470.80**
(ii) Projects temporarily suspended	-	-	-	-	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(ii) As at 31st March, 2025

Amount in CWIP for a period of					
Particular	**<1 Year**	**1-2 Years**	**2-3 Years**	**More Than 3 Years**	**Total**
(i) Projects in progress	494.02	-	-	-	**494.02**
(ii) Projects temporarily suspended	-	-	-	-	**-**

Note: There is no such project in capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March 2026 and 31st March 2025.

NOTE-55

Capitalisation of Expenditure

The following amount of expenditures have been recognised in the carrying amount of Property, Plant and Equipment /Capital work-in-progress (CWIP) in the course of its construction. Consequently, expenses disclosed under the respective notes to the Statement of Profit and Loss are net of amounts capitalised by the Company.

Particulars	**Year ended 31st March, 2026**	**Year ended 31st March, 2025**
Expenses incurred during the year (A)		
Rates and taxes	-	-
Borrowing Costs (Included LC Interest and Bank Charges)	-	-
Total	**-**	**-**
Amount of expenses included in Capital work-in-progress at the beginning of the year (B)	-	-
Amount of expenses Capitalized during the year (C)	-	-
Amount of expenses included in Capital work-in-progress at the end of the year (A+B-C)	-	-

NOTE – 56

Other disclosures required as per Schedule III to the Companies Act, 2013

(i) The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

(ii) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The company does not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency, during the financial year ended 31st March, 2026 and 31st March, 2025.

(v) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(vi) No funds that 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

(vii) No funds have been received by the company 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 directly or indirectly lend or invest in other persons or entities 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.

(viii) The company does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

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

(x) The company has used the borrowings from banks and financial institutions for the purpose for which it was taken.

(xi) No proceedings have been initiated or are pending against the company for holding any benami property under The Benami Transactions (Prohibition) Act 1998 and rules made there under.

NOTE – 57

The Board of Directors in its meeting held on January 28, 2023 approved the proposal to buy-back upto 580000 fully paid up equity shares of the face value of ₹10/- at a price of ₹950/- per share payable in cash ("Buyback Price") for a maximum amount not exceeding ₹5510 lakhs. This amount represents 7.18% of the paid-up equity share capital and free reserves as per audited financial statements of the Company for the financial year ended 31st March, 2022. The buy-back process was completed on 17th April, 2023 and 580000 shares were extinguished.

NOTE – 58

i) The Board has recommended a final dividend of ₹1/- per equity share of face value of ₹1/- each (fully paid up) amounting to ₹1270.72 Lakhs and ₹0.50/- per share on 5% Non-Cumulative Non- Convertible Redeemable Preference Shares of face value of ₹10/- each amounting to ₹34.16 Lakhs for FY 2025-26.

ii) The Board had recommended a final dividend of ₹1/- per equity share of face value of ₹1/- each (fully paid up) amounting to ₹1270.72 Lakhs and ₹0.50/- per share on 5% Non-Cumulative Non- Convertible Redeemable Preference Shares of face value of ₹10/- each amounting to ₹34.16 Lakhs for FY 2024-25.

NOTE – 59

Reconciliation of liabilities arising from financing activities and material non-cash investing and financial transactions

Particulars	Non-current borrowings	Current borrowings	Lease liabilities (including interest on lease liabilities)	Interest accrued but not due	Dividend payable/ Unpaid dividend
Year ended March 31, 2026					
As at the beginning of the year	**35,267.06**	**23,208.60**	**80.03**	**152.71**	**12.66**
Changes during the year					
i) changes from cash flows	(8,819.18)	(5,401.40)	(21.86)	(4,272.43)	(1,288.89)
ii) Interest and other financial charges incurred for the year				4,512.85	
iii) Dividend declared during the year					1,304.88
iv) Net effect of classification of current maturities as current borrowings	1,747.81	(1,747.81)			
v) Interest on lease liabilities			38.12	(38.12)	
vi) New leases during the year			807.73		
vii) effect of changes in foreign exchange rates	1,075.59	683.01			
viii) Interest on liability component of compound financial instruments	234.91			(234.91)	
ix) Effect of unamortized processing charges (net)	18.73			(18.73)	
As at the end of the year	**29,524.92**	**16,742.40**	**904.02**	**101.37**	**28.65**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Particulars	Non-current borrowings	Current borrowings	Lease liabilities (including interest on lease liabilities)	Interest accrued but not due	Dividend payable/ Unpaid dividend
Year ended March 31, 2025					
As at the beginning of the year	**39,443.54**	**48,038.36**	**58.43**	**171.86**	
Changes during the year					
i) changes from cash flows	(3,633.30)	(25,622.57)	(21.36)	(4,952.30)	(656.86)
ii) Interest and other financial charges for the year				5,026.33	
iii) Dividend declared during the year					669.52
iv) Net effect of classification of current maturities as current borrowings	(738.34)	738.34			
v) Interest on lease liabilities			7.21	(7.21)	
vi) New leases during the year			35.75		
vii) effect of changes in foreign exchange rates	(403.64)	54.47			
viii) Difference on account of modification of terms of financial liabilities	512.83				
ix) Interest on liability component of compound financial instruments	66.57			(66.57)	
x) Effect of unamortized processing charges (net)	19.40			(19.40)	
As at the end of the year	**35,267.06**	**23,208.60**	**80.03**	**152.71**	**12.66**

There are no significant non-cash investing and financial transactions other than those disclosed in above reconciliation.

NOTE -60

During the current year, the company has reclassified Government grant receivable from “Other Current Assets” to “Other Current Financials Assets” amounting to ₹4027.99 lakhs (March 31, 2025 ₹3254.69 lakhs; April 1, 2024 ₹4288.64 lakhs).

NOTE -61

During the current year, the company has reclassified certain liabilities in the nature of Trade payables from “Other Current Financial Liabilities” to “Trade Payables” amounting to ₹2333.75 lakhs (March 31, 2025 ₹ 2102.92 lakhs; April 1, 2024 ₹1784.43 lakhs).

NOTE -62

As explained in note 2.3.6 and 6, during the year ended 31st March 2026, the Company has voluntarily changed its accounting policy, with retrospective effect in accordance with Ind AS 8, to value the inventory of raw material on weighted average basis which was earlier valued on first-in first-out (FIFO) basis, having consequential impact on the valuation of inventory of work-in-progress and finished goods.

The impact of change in accounting policy on each financial statement line item, including basic and diluted earnings per share, is presented below:

Impact on balance sheet as at 31st March, 2025 and 1st April, 2024

Particulars	As at 31st March, 2025			As at 1st April, 2024		
	Previously reported Amount	Adjustment	Restated Amount	Previously reported Amount	Adjustment	Restated Amount
Inventories	43,383.35	108.54	43,491.89	64,504.71	(280.73)	64,223.98
Total assets	1,77,482.11	108.54	1,77,590.65	1,96,317.26	(280.73)	1,96,036.53
Other equity	99,295.34	108.54	99,403.88	88,955.74	(280.73)	88,675.01
Total equity	1,00,582.14	108.54	1,00,690.68	90,242.54	(280.73)	89,961.81
Total equity and liabilities	1,77,482.11	108.54	1,77,590.65	1,96,317.26	(280.73)	1,96,036.53

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(Amount ₹ in Lakhs unless otherwise stated)

Impact on Statement of Profit and Loss for the year ended 31st March, 2025

Particulars	Previously reported Amount	Adjustment	Restated Amount
Cost of materials consumed	1,75,825.98	(317.56)	1,75,508.42
Changes in Inventories of work-in-progress and finished goods	69.89	(71.71)	(1.82)
Profit before tax	14,980.25	389.27	15,369.52
Profit for the year	10,925.33	389.27	11,314.60
Total Comprehensive Income for the year	11,009.12	389.27	11,398.39
Earnings per equity share -Basic and diluted	8.57	0.31	8.88

The change in accounting policy had no impact on previously reported cash flows from operating, investing and financing activities.

NOTE -63

During the year ended 31st March 2026, a fire accident occurred at the Bathinda plant of the Company. The fire resulted into a total loss amounting to ₹ 3171.30 Lakhs comprising of :

(i) damage of raw material amounting to ₹ 2828.69 Lakhs (excluding goods and service tax amounting to ₹ 138.05 Lakhs) and

(ii) property plant and equipment (i.e. building and roof top solar) having net carrying value amounting to ₹ 204.56 Lakhs.

However, no casualties were reported.

Accordingly, the Company has recorded net loss due to fire amounting to ₹ 145.91 Lakhs (net of the insurance claim recoveries amounting to ₹ 3025.39 Lakhs) under the head "Loss due to fire"" in note 32 "Other expenses".

NOTE -64

The Government of India notified four new labour codes subsuming 29 legislations relating thereto effective November 21, 2025. The Company has assessed the impact in accordance with the guidance provided by the Institute of Chartered Accountants of India and FAQs issued by Ministry of Labour & Employment. Based on the broad assessment carried by the management, the Company continues to comply with the major provisions having financial impact. Further, the Company continues to monitor developments on the rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications basis such developments/ guidance.

As per our report of even date attached
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

For and on behalf of the Board of Directors

Munish Avasthi
Chairman-cum-Managing Director
DIN No.00442425

Chetan Rupal
Executive Director
DIN No.00253536

Sanjay Vasudeva
Partner
M. No. 090989

Sandeep Sachdeva
Chief Financial Officer

Lovlesh Verma
Company Secretary
ACS-34171

Place: Ludhiana
Date : May 16, 2026

SPORTKING INDIA LIMITED

CIN: L17122PB1989PLC053162
Registered Office: Village kanech, Near Sahnewal, G.T Road, Ludhiana-141120
E-mail: cs@sporking.co.in, Website: www.sporking.co.in

ATTENDANCE SLIP

Ref. Folio/DP/ & Client No ....

No. of shares held ………...……….

Member's/Proxy's Name in Block Letter____

I/We certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the 37th Annual General Meeting of the company held on Saturday, 12th September, 2026 at 10.30 A.M. at its Registered Office at Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120.

Name of the Shareholder/Proxy
(In Block Letter)

Signature of the Shareholder/Proxy

Note:

1. Please fill the attendance slip and hand it over at the entrance of meeting venue. Joint shareholders may obtain additional attendance slip on request.
2. Please read instructions given in the Notice of 37th Annual General Meeting, carefully before voting electronically.

--cut here--

Form No. MGT-11

SPORTKING INDIA LIMITED

CIN :L17122PB1989PLC053162
Registered Office: Village kanech, Near Sahnewal, G.T Road, Ludhiana-141120
E-mail: cs@sporking.co.in, Website: www.sporking.co.in

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the member (s) :____

Registered address:____

Folio No./DP & Client Id:____

I/We, being the member (s) holding__________________ shares of the above named company, hereby appoint:

1. Name & Address______________________________Signature__________________ or failing him/her
2. Name & Address______________________________Signature__________________ or failing him/her
3. Name & Address______________________________Signature__________________ or failing him/her as

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the company held on Saturday, 12th September, 2026 at 10.30 A.M at its Registered Office at Village Kanech, Near Sahnewal, G.T Road, Ludhiana-141120 and at any adjournment thereof in respect of the following resolutions as are indicated below:-

Resolution No	Description
ORDINARY BUSINESS	
1.	To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon
2.	To declare dividend on Equity Shares of the Company for the Financial Year ended 31st March, 2026.
3.	To appoint a Director in place of Mrs. Anjali Avasthi (DIN: 06911970), Non-executive Non Independent Director who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers herself for re-appointment.
SPECIAL BUSINESS	
4.	Ratification of Remuneration payable to Cost Auditors for the Financial Year 2026-27.
5.	To approve change in designation of Mrs. Anjali Avasthi (DIN: 06911970), from Non- Executive Director to Whole time Director.

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. Incomplete Proxy form will not be accepted.

Signed this ______ day of ___________ 2026

Signature of the proxy holder

Signature of shareholder

VENUE OF ANNUAL GENERAL MEETING

SPORTKING INDIA LIMITED

Registered Office: Village kanech, Near Sahnewal, G.T Road, Ludhiana-141120

SPORTKING INDIA LIMITED

CONTACT US

+0161-284-5456

cs@sportking.co.in

www.sportking.co.in

Village Kanech, Near Sahnewal, GT Road,
Ludhiana-141120 (Punjab)