SKFL®
ISO 9001:2015 CERTIFIED COMPANY

SHREE KARNI FABCOM LIMITED
TECHNICAL TEXTILE & COATED FABRIC
(Formerly known as Shree Karni Fabcom LLP)

September 8, 2026

To
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Mumbai-400051

Symbol: SHREEKARNI

Dear Sir / Madam,

Sub: Annual Report for the financial year 2025-26

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report for Financial Year 2025-26 of the Company. The Annual Report has been sent today through electronic mode to the Members who have registered their E-Mail IDS with the Company's R&TA / Depository Participant.

The Annual Report for the Financial Year 2025-26 is also available on the website of the Company at:

https://skflindia.com/wp-content/uploads/2026/09/Annual_Report_2025-26.pdf

Thanking you.

Yours faithfully,

For Shree Karni Fabcom Limited

DHIRAJ RAMKISHOR VAISHNAV
Digitally signed by DHIRAJ RAMKISHOR VAISHNAV
Date: 2026.09.08 13:04:20 +05'30'

Dhiraj Ramkishor Vaishnav
Company Secretary & Compliance Officer
M. No. A62575

Block No. 314, Plot No. 188 to 190, Rajhans Texpa, NH-8, Village Baleshvar, Taluka, Palsana, Surat - 394317. (GUJARAT)
02622 350900 shreekarni@skflindia.com www.skflindia.com
CIN No : L47820GJ2023PLC140106 GSTIN : 24ABKCS5559A1ZC
skflindia.com

TECHNICAL
TEXTILES
FOR A
BETTER
TOMORROW

SKFL®

ANNUAL REPORT
2025 - 2026

WE DEAL, YOU EXPERIENCE EXCELLENCE

INNOVATIVE
MATERIALS
STRONGER
POSSIBILITIES

INSIDE THIS REPORT

COMPANY AT A GLANCE

50+	20+	600+	ISO
YEARS Textile Legacy	YEARS Technical Textiles	TEAM People Strength	9001:2015 Quality Focus

OUR VISION

To be the unequivocal leader in the global textile landscape, synonymous with cutting-edge technology, unmatched quality and sustainable progress.

OUR MISSION

To pioneer innovation in textiles, creating solutions that meet and surpass global standards while empowering our partners to succeed.

Shree Karni Fabcom Limited is a leading B2B manufacturer of specialized technical textiles, serving industries ranging from travel accessories, backpacks, apparel, and footwear to upholstery, medical arc support, and industrial solutions. Operating under the brand SKFL, we excel in Woven Fabrics, Knitted Fabrics, Coated Fabrics, and 100% polyester materials

BOARD OF DIRECTORS

RAJIV LAKHOTIA

MANAGING DIRECTOR

Mr. Rajiv Lakhotia, serves as a distinguished Promoter and Managing Director at SKFL. He plays a pivotal role in driving Business Development, Customer Relations, and Growth initiatives. His visionary leadership, attuned to the dynamic needs of the industry, has been instrumental in advancing the company's growth. Under his stewardship, SKFL continues to thrive, with his strategic direction significantly contributing to our ongoing success and development

RAJ KUMAR AGARWAL

WHOLE-TIME DIRECTOR

Mr. Raj Kumar Agarwal, serves as Promoter and Whole-time Director at our esteemed Company, bringing a wealth of expertise to our global operations. Mr. Agarwal's deep understanding of the international market, coupled with his fluency in the Chinese language, makes him an invaluable asset. Devoting a significant portion of his time abroad, he oversees all international procurement activities, from sourcing raw materials and machine parts to managing finished and semi-finished goods. Beyond his procurement expertise, Mr. Agarwal has been instrumental in identifying and integrating cutting-edge global technology and machinery into our operations.

MANOJ KUMAR KARNANI

WHOLE-TIME DIRECTOR

Mr. Manoj Kumar Karnani, serves as Promoter and Whole-time Director at our esteemed Company. With a professional background as an independent agent specializing in customs clearance consultancy, Mr. Karnani possesses deep knowledge of customs laws, which is vital to our operations. His over two decades of hands-on experience in international trade management play a pivotal role in optimizing our import and export functions. His strategic insight and operational expertise greatly enhance our company's ability to navigate the complexities of international trade, solidifying his indispensable role within our organizational framework.

RADHE SHYAM DAGA

WHOLE-TIME DIRECTOR

Mr. Radhe Shyam Daga, Whole-time Director and esteemed Promoter of our Company, brings over two decades of invaluable experience in the textile industry. His leadership stands as a pillar of strength, guiding the day-to-day operations with precision and insight. Under his stewardship, the organization benefits from seamless operations and a steadfast commitment to excellence. Mr. Daga's profound expertise not only fortifies the foundation of our company but also drives its continued success and operational efficiency.

RASHMI BIHANI
INDEPENDENT DIRECTOR

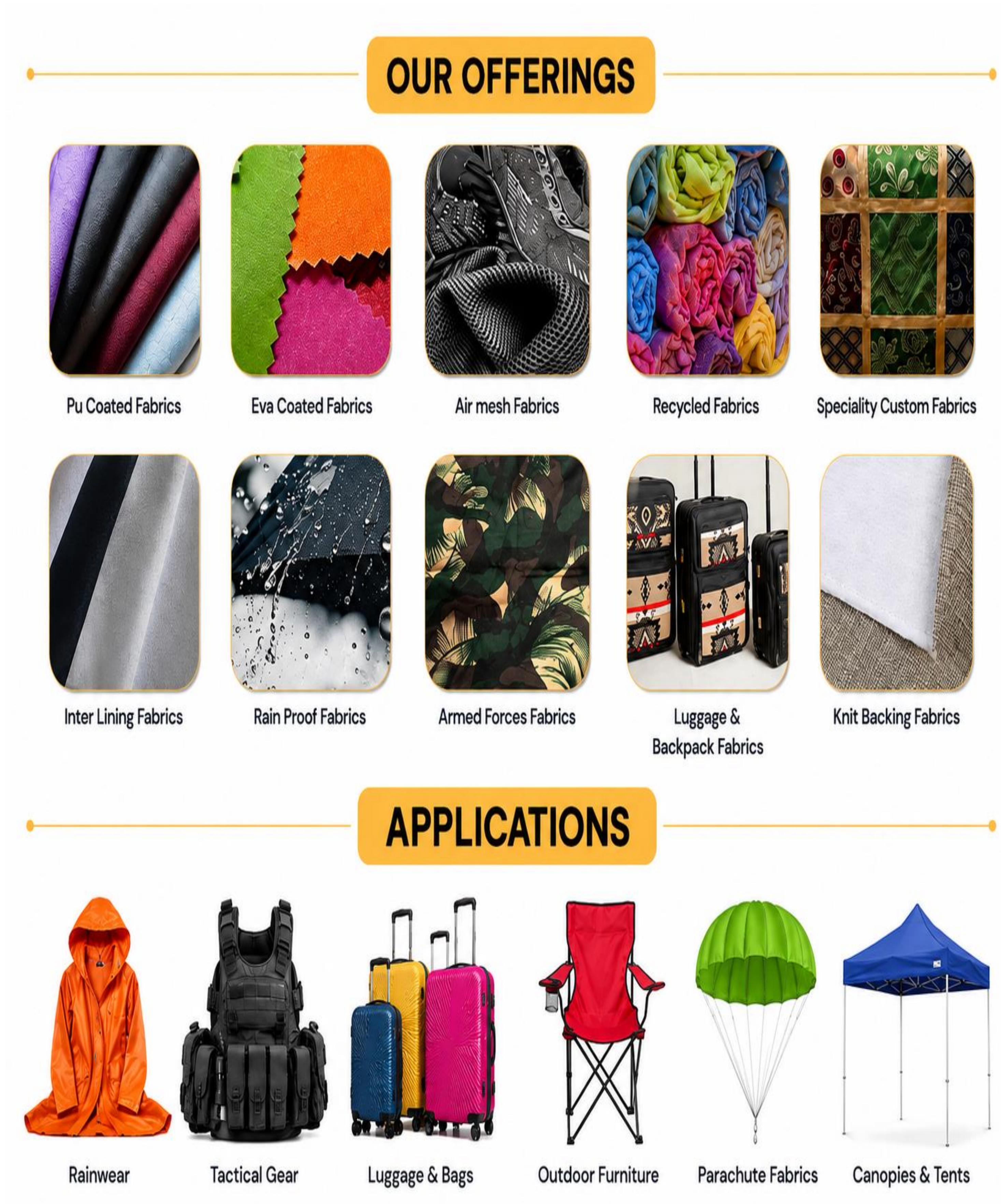
Rashmi Bihani, is an Independent Director of our Company. She is a fellow member of the Institute of Chartered Accountants of India and holds a certificate of practice issued by the Institute of Chartered Accountant of India. She is having more than 15 years of experience in the field of accounting, audit and taxation.

SWATI SINGHANIA
INDEPENDENT DIRECTOR

Swati Singhania, is an Independent Director of our Company. She is a fellow member of the Institute of Chartered Accountants of India. She is the proprietor at M/s. S Singhania & Associates having more than 18 years of experience in the field of accounting, deal structuring and taxation.

PANKAJ KUMAR MOHTA
INDEPENDENT DIRECTOR

Mr. Pankaj Kumar Mohta, is a Qualified Chartered Accountant and Company Secretary with over 12 years of comprehensive experience in Company Audit, Corporate Laws, Direct Taxes, GST matters, Outsourced Accounting & Financial Statements and Regulatory Compliances with proven track record in delivering quality professional services across diverse industry sectors with strong expertise in statutory compliance and tax.


OUR OFFERINGS
Pu Coated Fabrics
Eva Coated Fabrics
Air mesh Fabrics
Recycled Fabrics
Speciality Custom Fabrics
Inter Lining Fabrics
Rain Proof Fabrics
Armed Forces Fabrics
Luggage & Backpack Fabrics
Knit Backing Fabrics
APPLICATIONS
Rainwear
Tactical Gear
Luggage & Bags
Outdoor Furniture
Parachute Fabrics
Canopies & Tents

As Shree Karni Fabcom Limited continues to build on its journey as a listed entity, we are deeply honoured to receive the prestigious Award for **Product Innovation in Technical Textiles** from the **Southern Gujarat Chamber of Commerce and Industry (SGCCI)** this year.

This recognition is a testament to our unwavering commitment to excellence, innovation, and quality over the past five decades. As we enter the next phase of our growth journey, this honour further inspires us to push boundaries, set new benchmarks, and consistently exceed industry expectations.

Bharat Tex 2026: Deepening Global Technical Textile Partnerships

SKFL's participation alongside YEGOF (Carvico Group) at Bharat Tex 2026 marks an important step in the Company's strategy to strengthen its presence in premium technical and performance textiles. As the official Indian agent for YEGOF, SKFL leveraged the platform to showcase Carvico Group's advanced portfolio of high-performance knitted fabrics to leading Indian and international buyers, brands and textile industry stakeholders.

The joint participation provided an opportunity to strengthen customer relationships, generate new business leads and explore emerging applications across sportswear, activewear, swimwear, athleisure and other performance-oriented segments. It also enhanced SKFL's visibility in the premium fabric ecosystem and opened avenues for deeper engagement with prospective customers.

The association combines Carvico Group's global technical expertise, product innovation and manufacturing capabilities with SKFL's established presence and market reach in India, creating a strong platform to expand the Company's premium fabric portfolio and pursue sustainable, long-term growth.

FROM THE DESK OF MANAGING DIRECTOR

Dear Shareholders,

I am pleased to present the performance of your Company for the financial year ended 31st March 2026.

The year was marked by geopolitical uncertainties, supply chain disruptions, raw material price volatility and competitive pressures. Despite these challenges, the Indian technical textiles industry continued to demonstrate resilience, supported by strong domestic demand, infrastructure development and increasing adoption of performance-driven textile solutions.

Your Company delivered a resilient performance during the year. Consolidated revenue increased to ₹20,354.41 lakhs from ₹16,697.77 lakhs, while Profit after Tax stood at ₹1,523.54 lakhs, compared with ₹1,510.64 lakhs in the previous year. This performance reflects our diversified portfolio, strong customer relationships and focus on operational efficiency.

We continue to strengthen our presence across luggage, medical arch support, furniture and seating, footwear and apparel, supported by capabilities in woven, knitted, coated, 100% polyester and recycled polyester fabrics. Our focus remains on developing value-added, application-specific and sustainable solutions aligned with evolving customer needs.

The long-term outlook for technical textiles remains encouraging, driven by growing investments across infrastructure, healthcare, automotive, construction, agriculture and industrial applications. We believe our diversified capabilities, technical expertise and customer-centric approach position us well to capture these opportunities.

While challenges relating to raw material prices, geopolitics, supply chains and competition remain, we will continue to focus on innovation, technology, operational excellence and prudent risk management.

Our people remain central to our success. We remain committed to building a culture of capability, ownership and continuous development.

As we move forward, our focus will remain on sustainable growth, strengthening our market position and creating long-term value for all stakeholders.

I sincerely thank our customers, employees, suppliers, business partners and shareholders for their continued trust and support.

With warm regards,
Rajiv Lakhotia
Managing Director
Shree Karni Fabcom Limited

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Developments:

The global business environment during the year continued to be shaped by geopolitical uncertainties, supply chain disruptions, and volatility in commodity prices, impacting manufacturing industries worldwide. Despite these challenges, the Indian technical textiles industry demonstrated resilience, supported by robust domestic demand, increasing industrialization, and sustained investments across infrastructure, healthcare, automotive, construction, agriculture, and other key sectors. While fluctuations in raw material prices and competitive market conditions moderated value growth, the industry's long-term fundamentals remain strong.

The technical textiles sector continues to witness a structural transformation as industries increasingly adopt high-performance textile solutions that offer enhanced durability, safety, functionality, and sustainability. Technical textiles are no longer viewed as niche products but have become integral to a wide range of applications, including geotextiles, medical textiles, agro-textiles, industrial textiles, protective wear, packaging, and mobility solutions. Rising awareness of product performance, coupled with increasing regulatory standards and quality requirements, is driving greater adoption across both public and private sectors.

Infrastructure development remains a key growth driver for the industry. Continued investments in roads, railways, airports, urban infrastructure, water management, and renewable energy projects are creating sustained demand for specialized technical textile products. Similarly, the expansion of manufacturing activities, increasing industrial automation, and growing demand for filtration, insulation, and protective applications are further strengthening industry growth. The healthcare sector also continues to offer significant opportunities through increasing demand for medical disposables, hygiene products, and advanced healthcare textiles.

Innovation and sustainability are becoming central to the industry's growth. Customers are increasingly seeking products that combine superior performance with environmental responsibility, encouraging manufacturers to invest in advanced fibers, engineered fabrics, functional finishes, and sustainable manufacturing processes. At the same time, digitalization and technological advancements are enabling the development of application-specific solutions while improving manufacturing efficiency and product quality.

Government initiatives promoting domestic manufacturing, infrastructure development, and technological advancement continue to provide a favorable environment for the sector. Increased emphasis on quality standards, certification, and import substitution is strengthening the organized segment of the industry and enhancing India's competitiveness in both domestic and international markets.

While challenges such as raw material price volatility and competitive pressures persist, the long-term outlook for the Indian technical textiles industry remains positive. Growing investments across end-user industries, increasing preference for high-quality and specialized textile solutions, and the ongoing shift from unorganized to organized manufacturers are expected to support sustainable growth. Backed by strong domestic demand, technological innovation, and supportive policy initiatives, the organized technical textiles sector is well positioned to capitalize on emerging opportunities and create long-term value.

Company Development:

The Company continued its growth momentum during the year, supported by a diversified product portfolio, strong customer relationships, and a focused approach towards developing application-specific technical textile solutions. The Company's consolidated revenue increased from ₹16,697.77 lakhs to ₹20,354.41 lakhs, reflecting sustained demand across key end-use industries. Amidst a challenging operating environment marked by geopolitical uncertainties, fluctuations in raw material prices, and competitive pressures, the Company maintained stable profitability during the year. Profit remained broadly consistent at ₹1,523.54 lakhs compared to ₹1,510.64 lakhs in the previous year.

The Company continues to strengthen its presence across diverse application segments, including luggage, medical arch support, furniture and seating, footwear, and apparel industries. Its expertise across a wide range of fabrics, including woven fabrics, knitted fabrics, coated fabrics, 100% polyester fabrics, and recycled polyester fabrics, enables it to deliver customized, high-performance, and sustainable textile solutions to meet evolving customer requirements.

During the year, the Company focused on improving operational efficiencies and product portfolio. Increased emphasis on innovation, quality enhancement, and sustainable solutions has positioned the Company well to capitalize on emerging opportunities across domestic and global markets.

Going forward, the Company remains committed to strengthening its position in the technical textiles sector through continuous innovation, technology adoption, and customer-focused solutions. Its diversified application base, manufacturing expertise, and focus on sustainability provide a strong foundation for long-term growth and value creation.

B. Opportunities and Threats:

The technical textiles industry is witnessing increasing demand for high-performance, application-specific, and sustainable textile solutions across diverse sectors. Growing adoption of technical textiles in industries such as luggage, healthcare, footwear, furniture and seating, and apparel presents significant growth opportunities. The shift towards value-added fabrics, including coated fabrics, engineered woven and knitted fabrics, 100% polyester fabrics, and recycled polyester fabrics, is expected to create avenues for product innovation and market expansion.

Rising emphasis on sustainability and circularity across global markets is driving demand for recycled and environmentally responsible textile solutions. The increasing preference among customers for durable, functional, and performance-oriented materials provides opportunities for manufacturers with strong technical capabilities and diversified product portfolios.

However, the industry continues to face challenges arising from geopolitical uncertainties, global supply chain disruptions, fluctuations in raw material prices, and increasing competitive intensity. Changes in trade policies, currency movements, and input cost volatility may impact margins and operating conditions. Additionally, the entry of new players and evolving customer expectations require continuous investments in technology, innovation, and quality enhancement.

The Company’s diversified application base, focus on product development, and ability to cater to multiple end-use industries provide resilience against segment-specific fluctuations. Continuous focus on operational efficiencies, sustainable product offerings, and customer-centric solutions will enable the Company to capitalize on emerging opportunities while effectively managing industry challenges.

C. Segment / Product-wise Performance:

The Company continued to strengthen its presence across key technical textile application segments, supported by a diversified product portfolio and growing demand for performance-oriented textile solutions. Its products cater to diverse industries, including luggage, medical arch support, footwear, furniture and seating, and apparel.

The Company’s enhanced offerings across woven fabrics, knitted fabrics, coated fabrics, 100% polyester fabrics, and recycled polyester fabrics to meet evolving customer requirements, focus on product innovation, quality enhancement, and application-specific solutions has enabled the Company to strengthen customer relationships and expand its market presence.

During the year, the Company continued to improve manufacturing capabilities and operational efficiencies while focusing on value-added and sustainable textile solutions. Going forward, the Company remains committed to leveraging its technical expertise and diversified product portfolio to capitalize on emerging opportunities in the technical textiles sector.

D. Outlook:

While the operating environment is expected to remain influenced by geopolitical uncertainties, raw material price fluctuations, and evolving market dynamics, the Company remains focused on strengthening its resilience and sustaining long-term growth. The Company will continue to leverage its diversified product portfolio, technical expertise, and application capabilities to navigate external challenges and capitalize on emerging opportunities across the technical textiles sector. Focus on innovation, operational excellence, sustainable product development, and customer-centric solutions will remain central to the Company’s strategy as it seeks to enhance its market position and create sustainable long-term value.

E. Risks and Concerns:

The Company's operations and growth prospects are exposed to various risks and uncertainties that may impact business performance and profitability. Key risks include geopolitical uncertainties, raw material price volatility, currency fluctuations, supply chain disruptions, and increasing competitive intensity.

The Company continues to monitor these risks and remains focused on strengthening operational efficiencies, optimizing supply chain capabilities, and maintaining a diversified product and customer portfolio to mitigate potential challenges and support sustainable growth.

F. Internal Control Systems and their adequacy:

M/s. R S Y & Co., appointed as the Internal Auditors of the Company, periodically review internal controls, business processes, risk mitigation measures, financial and IT controls, statutory compliances, and operational efficiencies across various functions. The Internal Auditors submit their reports to the Audit Committee on a half yearly basis, and the Management takes appropriate actions on their recommendations.

The Company has established policies and Standard Operating Procedures (SOPs) for key activities and maintains regular oversight of operational and capital expenditure. Significant changes, if any, to policies are disclosed in the notes to the financial statements.

G. Financial Performance with respect to operational performance:

➢ **Sales:**

The Total Income of the Company for the year ended 31st March 2026 was at ₹20,354.41 lakhs (previous year ₹16,697.77).

➢ **Expenditure:**

The Total Expenses of the Company for the year ended 31st March 2026 was at ₹18,755.59 lakhs (previous year ₹14.786.37).

➢ **Profit:**

Profit after Tax for the year under review amounted to ₹1,523.54 lakhs (Previous Year ₹1,510.64 lakhs).

H. Material Developments in Human Resources/ Industrial Relations front, including number of people employed:

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain best talent in the market and the same can be felt in the past growth of the Company. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership, autonomy and towards this objective; your company spends large efforts on training. Your Company shall always place all necessary emphasis on continuous development of its Human Resources. The belief "great people create great organization" has been at the core of the Company's approach to its people.

During the year, Industrial Relations remained cordial. The employee strength as on 31st March 2026 was 663.

I. Financial ratios:

Sr. No.	Particulars	2025-26	2024-25
1	Debtors Turnover Ratio (in times)	3.99	3.97
2	Inventory Turnover Ratio (in times)	3.55	4.21
3	Interest Coverage Ratio (in times)	4.39	4.42
4	Current Ratio (in times)	1.40	1.24

5	Debt Equity Ratio (in times)	0.67	0.85
6	Operating Profit Margin (%)	0.12	0.14
7	Net Profit Margin (%)	7.51	9.12

Since the change in ratio is less than 25%, no explanation is required to be furnished.

J. Return on Net Worth:

Financial Year	2025-26	2024-25
Return on Net Worth (%)	0.16	0.20

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis report detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, raw material prices, finished goods prices, cyclical demand and pricing in the Company's products and their principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries with which the Company conducts business and other factors such as litigation and / or labor negotiations.

CORPORATE INFORMATION

Board of Directors

Managing Director
Rajiv Lakhotia

Whole Time Director
Radhe Shyam Daga
Manoj Kumar Karnani
Raj Kumar Agarwal

Independent Director
Rashmi Bihani
Swati Singhania
Pankaj Kumar Mohta

Audit Committee
Pankaj Kumar Mohta - Chairman
Swati Singhania
Rashmi Bihani
Raj Kumar Agarwal

Nomination and Remuneration Committee
Rashmi Bihani -Chairman
Swati Singhania
Pankaj Kumar Mohta

Stakeholders Relationship Committee
Swati Singhania – Chairman
Pankaj Kumar Mohta
Rashmi Bihani

Corporate Social Responsibility Committee
Pankaj Kumar Mohta -Chairman
Swati Singhania
Radhe Shyam Daga

Chief Financial Officer
Arbind Kumar Lahoty

Company Secretary and Compliance Officer
Dhiraj Ramkishor Vaishnav

Statutory Auditors
Baid Agarwal Singhi &Co.
Chartered Accountants
Firm Registration No.: 328671E

Secretarial Auditor
M/s. M Shahnawaz & Associates
Practising Company Secretaries
M. No. 21427; CoP 15076

Registrars & Share Transfer Agents
M/s. MAS Services Limited,
T-34, 2nd Floor, Okhla Industrial Area, Phase - II,
New Delhi -110020

Registered Office
Plot 188,189,190, Block No. 314, Rajhans Texpa,
Village Baleshvar, Taluka Palsana,
Surat - 394317, Gujarat, India

Knitting Unit
Block No 314, Plot No – 193-195, Rajhans Texpa
Village Baleshwar, Nh-48, Taluka-Palsana,
Surat-394317, Gujarat, India

Dyeing Unit
Block No. 501, Sub-Plot No. 8, Rajhans Zesto,
Phase 2, Village- Vesma, Taluka - Jalalpore,
Navsari - 396445, Gujarat, India.

Additional Shareholders' Information

FY2026 represents fiscal year 2025-26, from 1 April 2025 to 31 March 2026, and analogously for FY2025 and previously such labelled years.

1. General Body Meetings

Below table gives the details of date, time, location and business transacted through special resolution at last two Annual General Meetings:

Financial Year	Date & Time	Location	Special Resolution(s) Passed
2024-25	September 30, 2025 at 1.30 P.M.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Appointment of Mr. Pankaj Kumar Mohta (DIN: 11178087) as Independent Director of the Company
2023-24	September 28, 2024 at 1.00 P.M	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	NA

The Company got incorporated on 11/04/2023, this is the 3rd AGM of the Company

Resolution(s) passed through Postal Ballot

During the year, the Company did not pass any special resolution through postal ballot.

Annual General Meeting (AGM):

As per the Circulars issued by the Ministry of Corporate Affairs and the SEBI, from time to time, the 3rd Annual General Meeting of the Company is scheduled to be held on Saturday, September 26, 2026, at 1.30 P.M through Video Conference /Other Audio-Visual Means ("VC/OAVM") facility. The venue of the AGM shall be deemed to be the registered office of the Company situated Plot 188-190, Block - 314, Rajhans Texpa, Village - Baleshvar, Taluka - Palsana, Surat - 394317, Gujarat, India. The detailed instruction for participation and voting at the meeting is available in the notice of the 3rd AGM.

Proposal to Conduct Postal Ballot for any Matter in the Ensuing Annual General Meeting

There is no proposal to conduct a postal ballot for any matter in the ensuing Annual General Meeting.

2. Book Closure Date:-

From September 24, 2026 to September 30, 2026 (both days inclusive)

3. Dividend

The Board of Directors of the Company at their Meeting held on 21-05-2026 has recommended the Final Dividend of Rs. 0.25 /- per equity share of the face value of Rs. 10 /- (Rupees ten only) each for the financial year 2025-26, subject to approval of the members at the ensuing Annual General Meeting (AGM) of the Company

4. Financial Calendar

The financial year of the Company starts on 1st April every year and ends on 31st March subsequent year.

Indicative calendar of events for the financial year 2026-27 are as under

For the first half-year ending 30 September 2026	First / Second week of November 2026
2nd half and year March 31, 2027	by the Third/Fourth week of May 2027
AGM for the year ending 31 March 2027	Third/Fourth week of September 2027

5. Listing of Stock Exchange and Stock Codes

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051
Trading Symbol- SHREEKARNI

Annual Listing fees to the National Stock Exchange of India have been paid for the FY 2026-27. The Custodian fee for NSDL & CDSL has also been paid for the FY 2026-27.

6. The International Security Identification Number (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized securities of the Company. The ISIN of the Company's equity shares is INE0S4Y01010.

7. Market Price Data

Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2026:

Month	NSE	
	High	Low
Apr 25	648.75	530.20
May 25	607.95	505.10
Jun 25	621.55	525.00
Jul 25	677.90	536.60
Aug 25	556.00	480.00
Sep 25	712.00	495.15
Oct 25	670.00	552.05
Nov 25	578.00	498.90
Dec 25	554.00	470.00
Jan 26	501.85	396.00
Feb 26	480.00	403.00
Mar 26	420.10	329.95

8. Registrar and Share Transfer Agents

M/s. MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi -110020, is the Registrar and Share Transfer Agent of the Company, for Shareholders. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. Complaints, if any, on these matters may also be sent to the Compliance Officer of the Company.

Share Transfer System

As on date, the 100% of the issued and subscribed capital are held in dematerialised form, the process for physical share transfer is not relevant.

9. Description of Voting Rights

All shares issued by the Company carry equal voting rights, and one share confirms one vote.

10. **Nomination Facility**

Shareholders may contact their respective Depository Participant (DP) to avail nomination facility.

11. **Distribution of shareholding as on March 31, 2026**

Range	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1 - 5000	582	51.550	131800	1.823
5001 – 10000	291	25.775	191300	2.646
10001 – 20000	96	8.503	132861	1.837
20001 – 30000	45	3.985	113550	1.570
30001 – 40000	14	1.240	49250	0.681
40001 – 50000	15	1.328	67853	0.938
50001 – 100000	41	3.631	277586	3.840
100001 & Above	45	3.985	6264550	86.661
Total	**1129**	**100.000**	**7228750**	**100.000**

12. **Outstanding ADR's & GDR's, Warrants or any other convertible instruments, conversion date and likely impact on equity shares**

As on 02-04-2025 Company has allotted 3,15,000 (Three Lakh Fifteen Thousand) warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of Rs. 765/- (Rupees Seven Hundred and Sixty-Five Only) per equity share including a premium of Rs.755/- (Rupees Seven Hundred and Fifty-Five only) aggregating to Rs.24,09,75,000/- (Rupees Twenty-Four Crores Nine Lakh Seventy-Five Thousand Only) to the persons belonging to the promoters and promoters' group.
An amount equivalent to 25% of the Warrant Price has been received towards allotment of the Warrants, and the balance 75% shall be payable at the time of allotment of equity shares pursuant to exercise of the right attached to the Warrants to subscribe to equity shares. The last date for exercise of option for conversion of warrants into equity shares happens to be on 02-10-2026.

13. **Commodity Price Risk or Foreign Exchange Risk**

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods and exchange rate fluctuation. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

14. **Credit Rating**

The Company has not availed any Credit Rating.

15. **Dematerialization of Shares**

The Company's scrip forms part of the compulsory dematerialization segment for all investors. To facilitate easy access of the dematerialized system to the investors, the Company has signed up with both the depositories namely National

Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") – and has established connectivity with the depositories through its Registrar and Transfer Agents, MAS Services Limited.

The breakup of dematerialized shares and shares in certificate form as on March 31, 2026 as under:

Physical	NSDL	CDSL
-	23,07,000	49,21,750

16. Other Disclosures

Disclosures on materially significant related party transaction
The statements containing the transactions with related parties were submitted periodically to the Audit Committee. The details of Related Party Transaction are discussed in detail in Notes to the Financial Statements.

All the contracts/ arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business on an Arm's Length Basis subject to such exceptions as prescribed in form AOC-2 to the Director's Report.

None of the transactions with any of related parties were in conflict with the Company's interest.

Details of non-compliance(s) by the company
There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any Statutory Authority for Non-Compliance of any matter related to the Capital Markets

Whistle Blower Policy/Vigil Mechanism
The Board of Directors of the company has adopted Whistle Blower Policy. The management of the Company, through the policy envisages encouraging the employees of the Company to report the higher authorities any unethical, improper, illegal, or questionable acts, deeds & things which the management or any superior may indulge in.

Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements
The Company is exempted from compliance with the mandatory requirements of Corporate Governance under listing Regulations. However, the Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on the Board and constitution of committees.

Disclosure of Accounting Treatments
The financial statements of the Company have been prepared in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). These financial statements have been prepared on an accrual basis and under the historical cost conventions.

17. Name, Designation & Address of Compliance Officer and RTA for Complaints & Correspondence

Compliance Officer
Dhiraj Ramkishor Vaishnav
Company Secretary & Compliance Officer
Shree Karni Fabcom Limited
Plot 188-190, Block-314, Rajhans Texpa,
Village - Baleshvar, Taluka - Palsana,

Surat - 394317, Gujarat, India.
Tel: +91 262 235 0900
Email Id: cs@skflindia.com
CIN: L47820GJ2023PLC140106

Registrar & Share Transfer Agents
M/s. MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi -110020
Tel: 033 2280-6616/6617/6618, Fax: 033 2280-6619
Email: info@masserv.com
URL: https://www.masserv.com/

18. Disclosure with respect to demat suspense account/unclaimed suspense account

SL No.	Particulars	Applicability
1.	Aggregate number of Shareholder and the outstanding shares in the suspense account lying in the beginning of the year	Nil
2.	Number of Shareholder who approached the Company for transfer of shares from suspense account during the year	Nil
3.	Number of Shareholders to whom shares were transferred from suspense account during the year	Nil
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil
5.	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Nil

19. Transfer of Unpaid / Unclaimed Amounts and Shares to Investor Education and Protection Fund

Your Company had not declared any dividend in the previous financial years. Hence, the above provisions are not applicable.

20. Reminder to Investors:

As there is no unpaid / unclaimed dividends, no reminders for such unclaimed shares and unpaid dividends to be sent to shareholders. The Company shall ensure compliance as and when applicable.

For and on behalf of the Board of Directors
SHREE KARNI FABCOM LIMITED

Date: September 8, 2026

Manoj Kumar Karnani
(Whole Time Director)
DIN: 08156230
Place: Surat

Rajiv Lakhotia
(Managing Director)
DIN: 02939190
Place: Kolkata

DIRECTOR'S REPORT

TO,
THE MEMBERS,
SHREE KARNI FABCOM LIMITED

Your Directors are pleased to submit the 3rd Annual Report on the business and operations of your Company ("the Company" or "SHREE KARNI"), along with the audited financial statements, for the financial year ended March 31, 2026. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY

The Financial Results for the year ended March 31, 2026 and the corresponding figure for the previous year are as under:

(₹ in Lakhs except EPS)

Particulars	Standalone		Consolidated	
	2025-26	**2024-25**	**2025-26**	**2024-25**
Revenue from Operations	20,295.33	16,571.03	20,354.41	16,697.77
Other Income	230.30	177.90	488.08	248.52
Total Income	**20,525.63**	**16,748.93**	**20,842.49**	**16,946.29**
Total Expenditure	18,460.66	14,699.68	18,755.59	14,786.37
Profit before tax	**2,064.97**	**2049.25**	**2,086.90**	**2,159.92**
Current Tax	417.13	470.79	426.15	531.39
Income tax Adjustment	11.89	18.98	11.89	18.98
Deferred Tax Adjustment	112.40	48.84	112.40	48.84
Adjustment from Subsidiaries and Associates	-	-	(12.92)	(50.07)
Profit for the period	**1,523.55**	**1,510.64**	**I,523.54**	**1,510.64**
Basic Earnings per share (in ₹)	21.08	21.36	21.08	21.36

Notes:
- Equity shares are at par value of ₹10/- per share.

2. TRANSFER TO RESERVES

We do not propose to transfer any amount to general reserve.

3. DIVIDEND

Your Directors are pleased to recommend a final dividend of ₹0.25 per equity share (2.5%) on the equity shares of face value ₹10 each for the financial year ended March 31, 2026, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM").

The Board of Directors approved the recommendation of the final dividend at its meeting held on May 21, 2026. Once approved by the Members at the AGM, the dividend will be paid within the prescribed statutory timelines to those Members whose names appear in the Register of Members of the Company or in the records of the Depositories as the beneficial owners of the equity shares as on the Record Date fixed for the purpose.

The final dividend is in accordance with the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws.

4. ALLOTMENT OF EQUITY SHARES AND WARRANTS PURSUANT TO PREFERENTIAL ISSUE

A. EQUITY SHARES

Pursuant to the resolution passed by the Board of Directors at their duly convened Board Meeting held on April 2, 2025 the Company has approved allotment of 1,56,750 equity shares of face value ₹10 each at a price of ₹765 per share (including a premium of ₹755 per share) on a preferential basis. The total amount raised through this issue aggregates to ₹1,199.14 Lakhs, including shares premium amounting to ₹1,183.46 Lakhs.

B. WARRANTS

Pursuant to the resolution passed by the Board of Directors at their duly convened Board Meeting held on April 2, 2025 the Company has approved allotment of 3,15,000 share warrants, each convertible into or exchangeable for one fully paid equity share of the Company of face value ₹10 each at a price of ₹765 per warrant (including a premium of ₹755 per warrant). The total amount to be raised through this issue aggregates to ₹2,409.75 Lakhs.

Till March 31, 2026, the Company has received ₹602.44 Lakhs towards the aforesaid preferential issue of share warrants. The equity shares underlying these warrants are yet to be allotted.

5. STATE OF COMPANY'S AFFAIRS

Your Directors are pleased to share the steady operational and financial performance achieved by the Company even during these turbulent times of inflation, growth slowdown, aggressive interest rate hikes and other geopolitical factors and its consequent effect on economies of worldwide.

During the FY2026:

- On a consolidated basis, revenue from operations stood at ₹20,354.41 lakhs in FY26 as against ₹16,697.77 lakhs in FY25, reflecting a year-on-year growth of 21.90%.

- On a consolidated basis, Profit After Tax (PAT) remained resilient at ₹1,523.54 lakhs in FY26 as against ₹1,510.64 lakhs in FY25, registering a year-on-year growth of 0.85%.

The Company remains optimistic about improving its operational and financial performance in FY2027.

6. CHANGE IN THE NATURE OF BUSINESS

The nature of the Company's business and operations remained unchanged during the year under review.

7. CHANGE IN NAME AND STATUS OF THE COMPANY

During the financial year, there has been no change in the name or legal status of the Company. The Company continues to operate under the same name and corporate structure as in the previous year.

8. DEMATERIALISATION OF SHARES

The Company has entered into tripartite agreements for dematerialization of equity shares with the MAS Services Limited, National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2026, the share of the Company held in demat form represents 100% of the total issued and paid-up capital of the Company. The Company ISIN No. is INE0S4Y01010. M/s. MAS Services Limited is the Registrar and Share Transfer Agent of the Company.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THE REPORT

In order to optimize its operational capabilities, enhance overall business profitability, and mitigate geopolitical risks the Board of Directors of the Company has approved the closure of its stitching unit at their Board Meeting held on June 24, 2026.

10. ALTERATION OF MEMORANDUM AND ARTICLES OF ASSOCIATION

During the year under review, there was no alteration in the Memorandum of Association or the Articles of Association of the Company. Accordingly, the existing provisions of the Memorandum of Association and the Articles of Association continue to remain in force.

11. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2026, there are 7 (Seven) Directors in your Company. The detail is as under:

DIN/PAN	Name	Designation	Appointment/ Cessation date
07848061	Radhe Shyam Daga	Whole-time director	11/04/2023
08156230	Manoj Kumar Karnani	Whole-time director	11/04/2023
09748957	Raj Kumar Agarwal	Whole-time director	11/04/2023
02939190	Rajiv Lakhotia	Managing Director	11/04/2023
11178087	Pankaj Kumar Mohta	Independent Director	08/09/2025
07062288	Rashmi Bihani	Independent Director	10/10/2023
03610903	Swati Singhania	Independent Director	10/10/2023

None of the directors are disqualified under section 164 of Companies Act, 2013. During the year under review, the following persons were designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

Name	Designation	Date of Appointment
Dhiraj Ramkishor Vaishnav	Company Secretary	04/11/2025
Arbind Kumar Lahoty	Chief Financial Officer	09/11/2023

The following are the changes in the Board of the Company during the year under review:

DIN	Name	Particulars of Change	Effective Date
08178507	Sriyans Lunia	Cessation from the position of Independent Director due to death	31/05/2025
11178087	Pankaj Kumar Mohta	Appointment as additional Independent Director of the Company	08/09/2025

11178087	Pankaj Kumar Mohta	Regularization as Independent Director of the Company for a period of 5 years	30/09/2025

The following are the changes in the Key Managerial Personnel of the Company during the year under review:

Name	Particulars of Change	Effective Date
Dhiraj Ramkishor Vaishnav	Cessation	05/08/2025
Dhiraj Ramkishor Vaishnav	Appointment	04/11/2025

Directors liable to retire by rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Manoj Kumar Karnani (DIN: 08156230), Whole Time Director is liable to retire by rotation and being eligible, seeks re-appointment at the ensuing annual general meeting. Mr. Manoj Kumar Karnani is not disqualified under Section 164 of the Companies Act, 2013. Board of Directors recommends his re-appointment in the best interest of the Company.

The Notice convening forthcoming AGM includes the proposal for re-appointment of aforesaid Director. A brief resume of the Director proposed to be re-appointed, nature of his experience in specific functions and area and number of listed companies in which he holds Membership/Chairmanship of Board and Committees, shareholdings and inter-se relationships with other Directors as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) are provided in the 'Annexure to the Notice of AGM' forming part of the Annual Report.

12. DECLARATIONS BY INDEPENDENT DIRECTORS

In accordance with the provisions of Section 149(7) of the Companies Act, 2013, each of the Independent Directors has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (the Listing Regulations) as emended.

In the opinion of the Board of Directors, all Independent Directors of the Company fulfils the conditions specified in the Act and Rules made thereunder.

13. BOARD EVALUATION

Pursuant to the provisions of the Companies Act and the SEBI Listing Regulations, after taking into consideration the various facets related to working of Board, its Committees and roles and responsibilities of Director, The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors including Independent Directors on the basis of the criteria and framework adopted by the Board.

Further, the performance of Board as a whole and committees were evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria. The Board of Directors expressed their satisfaction with the evaluation process. In a separate meeting of Independent Directors held on March 18, 2026, the performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors.

14. BOARD MEETING

During the year under review, the Board of Directors met on 2 April 2025, 29 May 2025, 8 September 2025, 4 November 2025, 13 November 2025 and 8 January 2026. Accordingly, a total of Six (6) Board Meetings were held during the financial year in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The intervening gap between two Board Meeting and General Meetings was within the period prescribed under the Companies Act, 2013 and as per Secretarial Standard-1(Meetings of the Board of Directors) and Secretarial Standard-2 (General Meetings), issued by the Institute of Company Secretaries of India (ICSI).

The requisite quorum was present throughout the Board Meetings in each of the meeting. The Directors actively participated in the deliberations and provided valuable guidance and strategic inputs on the matters placed before the Board, facilitating informed decision-making and effective governance

15. MEETING OF THE INDEPENDENT DIRECTORS

During FY2025-26, one meeting of Independent Directors was held without the presence of the Executive Directors or Management Personnel on March 18, 2026. At such meeting, the Independent Directors have discussed, among other matters, the challenges faced by the Company, growth strategies, flow of information to the Board, strategy, leadership strengths, compliance, governance, HR related matters and performance of Executive Directors.

16. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The Audit Committee of the Board comprises of:

Name of Directors	Category
Pankaj Kuamr Mohta	Independent Director- Chairperson
Swati Singhania	Independent Director
Rashmi Bihani	Independent Director
Raj Kumar Agarwal	Whole-Time Director

During the year under review, there has been no instance where the recommendations of the Audit Committee have not been accepted by the Board. The terms of reference of the Audit Committee are in accordance with the provision of the Companies Act, 2013 and in line with SEBI Listing Regulations although the listing regulation pertaining to Audit Committee is not applicable to the Company.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board comprises of:

Name of Directors	Category
Rashmi Bihani	Independent Director- Chairperson
Swati Singhania	Independent Director
Pankaj Kumar Mohta	Independent Director

During the year under review, there has been no instance where the recommendations of the Nomination and Remuneration Committee have not been accepted by the Board. The terms of reference of the Nomination and Remuneration Committee are in accordance with the provision of the Companies Act, 2013 and in line with SEBI

Listing Regulations although the listing regulation pertaining to Nomination and Remuneration Committee is not applicable to the Company.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board comprises of:

Name of Directors	Category
Swati Singhania	Independent Director- Chairperson
Rashmi Bihani	Independent Director
Pankaj Kumar Mohta	Independent Director

During the year under review, there has been no instance where the recommendations of the Stakeholders Relationship Committee have not been accepted by the Board. The terms of reference of the Stakeholders Relationship Committee are in accordance with the provision of the Companies Act, 2013 and in line with SEBI Listing Regulations although the listing regulation pertaining to Stakeholders Relationship Committee is not applicable to the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Board comprises of:

Name of Directors	Category
Pankaj Kumar Mohta	Independent Director - Chairperson
Swati Singhania	Independent Director
Radhe Shyam Daga	Wholetime Director

The CSR policy of the Company can be viewed at www.skflindia.com/code-and-policies/

17. VIGIL MECHANISM

To meets the requirement under Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations the Company has adopted a vigil mechanism named Whistle Blower Policy for directors and employees to report genuine concerns, which shall provide adequate safeguards against victimization of persons who use such mechanism. Under this policy, we encourage our employees to report any reporting of fraudulent financial or other information to the stakeholders, any conduct that results in violation of the Company's Code of Business Conduct, to management (on an anonymous basis, if employees so desire).

Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employee who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the said investigation. The Whistle Blower Policy is displayed on the Company's website at https://skflindia.com/wp-content/uploads/2023/12/WHISTLE-BLOWER-POLICY.pdf.

No individual in the Company has been denied access to the Audit Committee or its Chairman during the FY2025-26.

18. APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for the selection and appointment of Directors and Senior Management Personnel and their remuneration. The Company's policy relating to the Directors appointment, payment of remuneration and discharge of their duties is available on the website of the Company at https://skflindia.com/wp-content/uploads/2023/12/Nomination-and-Remuneration-Policy.pdf.

19. CORPORATE SOCIAL RESPONSIBILITY

Your Company is conscious of its Social Responsibility and the environment in which it operates. Over the years, the Company aimed towards improving the lives of the people. The Company's CSR policy covers activities in the field of eradication of extreme hunger and poverty, promotion of education, promotion of gender equality, empowerment of women, improvement of mental health, slum area development and rural development projects, employment enhancing vocational skills, ensuring environmental sustainability, animal welfare, sanitation including contribution to fund set up by the Central Government, contribution to the Prime Ministers National Relief Fund or any other project set up by the Central Government.

During FY2025-26, as per Section 135 of the Act, an amount of Rs. 36.44 lakhs was required to be spent by the Company on CSR activities. The Company has spent Rs. 36.50 lakhs during FY2026 (including set off of the excess spending from the previous year).The CSR report for FY 2026 has been given in **Annexure 1**.

20. RISK MANAGEMENT POLICY

Your Company's Risk Management Framework is designed to enable risks to be identified, assessed and mitigated appropriately. The Risk Management framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Company has established processes and guidelines, along with a strong overview and monitoring framework at the Board and Senior Management level. The Board reviews the same from time to time to include new risk elements and its mitigation plan. Risk identification and its mitigation is a continuous process in our Company.

21. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

As on March 31, 2026, the Company has one Associate LLP and one Subsidiary LLP. The Company does not have any joint venture.

Associate

M/s Textron Fabtech LLP is an Associate of the Company and is engaged in the business of manufacturing technical textiles.

Subsidiary

M/s IGK Technical Textiles LLP is a Subsidiary of the Company. It is engaged in the business of manufacturing and trading of technical textiles.

In accordance with Section 129(3) of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiary and associate in Form AOC-1 forms part of this Annual Report as Annexure 2.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the standalone and consolidated financial statements of the Company, together with the financial statements of its subsidiary and other relevant documents, are available on the Company's website at www.skflindia.com under the Investors section. These documents are also available for inspection by the members during business hours at the Registered Office of the Company up to the date of the ensuing Annual General Meeting (AGM).

22. NON-APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS

Pursuant to Rule 4(1) of the Companies (Indian Accounting Standards) Rules, 2015, as notified by the Ministry of Corporate Affairs vide Notification No. G.S.R. 111(E) dated February 16, 2015, companies whose equity shares are listed on the SME Exchange, as referred to under Chapter XB of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (now governed under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018), are exempt from the mandatory adoption of the Indian Accounting Standards (Ind AS).

As the equity shares of your Company are listed on the SME Platform of the National Stock Exchange of India Limited (NSE Emerge), the Company continues to fall within the exempted category. Accordingly, the financial statements for the Financial Year 2025–26 have been prepared in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, and other applicable provisions of the Act, and are not required to comply with the Indian Accounting Standards (Ind AS).

23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2025–26, no significant or material orders were passed by any regulator, court or tribunal that could impact the going concern status of the Company or materially affect its future operations.

24. AUDITORS

A. STATUTORY AUDITORS & AUDITORS' REPORT

The Board of Directors, at its meeting held on August 24, 2024, based on the recommendation of the Audit Committee and pursuant to the approval of the Members at the 1st Annual General Meeting held on September 28, 2024, appointed M/s. Baid Agarwal Singhi & Co., Chartered Accountants (Firm Registration No. 328671E), as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the 1st Annual General Meeting until the conclusion of the 6th Annual General Meeting of the Company.

B. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, The Board of Directors of the Company, have appointed CS Md. Shahnawaz (Membership No. 21427, CP No. 15076), Practicing Company Secretary, as the Secretarial Auditor of the Company to conduct the Secretarial Audit for the financial year 2025-26.

The Secretarial Audit Report for the financial year ended March 31, 2026, issued by the Secretarial Auditor, forms part of this Board's Report and is annexed herewith as **Annexure 3**. The Report does not contain any qualification, reservation, adverse remark, or disclaimer.

C. INTERNAL AUDITOR AND THEIR REPORT:

Pursuant to the provisions of the section 138 of the Companies Act, 2013 and rule 13 of the Companies (Accounts Rules) 2014, and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or enactment thereof for the time being in force), and on recommendation of Audit Committee M/s. R S Y & Co, Chartered Accountants, was appointed as an Internal Auditor of the company to conduct an internal audit of the functions and activities of the company for the Financial Year 2025-26 at such remuneration as may be mutually agreed upon between the Board of Directors, and Internal Auditors based on recommendation of Audit Committee.

The Internal Auditor carries out periodic internal audits of the Company's internal financial controls, governance processes, and operational activities. The Internal Audit Reports are placed before the Audit Committee and the Board of Directors for their review and consideration.

During the financial year 2025–26, the Internal Auditor has not reported any material weaknesses, qualifications, reservations, adverse remarks, or observations requiring any explanation or comments from the Board of Directors.

25. CORPORATE GOVERNANCE

Since the Company is listed on NSE Emerge platform of National Stock Exchange of India Limited, the Company is exempt from applicability of certain regulations pertaining to 'Corporate Governance' under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

26. SECRETARIAL STANDARDS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), as issued by the Institute of Company Secretaries of India (ICSI).

27. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

Internal Audit is conducted by an Independent Professional Firm of Chartered Accountants. The Internal Audit Reports are reviewed and discussed with the senior management team. The representative of Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee meetings. The measures as suggested by the Internal Auditor are implemented as per the direction of the Audit Committee.

The controls comprise of:

a) Officials of the Company have defined authority and responsibilities within which they perform their duty;

b) All the Banking transactions are under joint authority and no individual authorization is given;

c) Maker-checker system is in place.

d) Any deviations from the previously approved matter require fresh prior approval.

28. DETAILS OF FRAUD REPORTED BY THE AUDITORS

During the year under review, the Statutory Auditors and the Internal Auditor have not reported to the Audit Committee any instance of fraud by the Company's officers or employees under Section 143(12) of the Companies Act, 2013, read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

29. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return for the year ending on March 31, 2026 is available on the Company's website at www.skflindia.com.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized as per the provisions of Section 186 of the Companies Act, 2013 are disclosed in the notes to accounts to the financial statements for the financial year 2025-26.

31. DEPOSIT

The Company has neither accepted nor renewed any deposits during the year under review. Further, the Company does not have any outstanding amount qualified as a deposit as on 31st March, 2026.

32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has entered into related party transaction in ordinary course of business and at arm's length subject to such exception as given in Form AOC-2. As none of the transactions with any of the related party exceed the 10% of the turnover of the Company, there was no material related party transaction during the year under review. Thus, the disclosure of particulars of contracts or arrangements with related parties as prescribed in Form AOC-2 under section 188(1) of the Companies Act, 2013, is annexed as **Annexure 4**

The policy on Related Party Transactions as approved by the Board and is available on the Company's website: https://skflindia.com/wp-content/uploads/2023/12/RELATED-PARTY-TRANSACTION-POLICY.pdf .

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The details of conservation of energy and technology absorption are applicable to the Company as the Company is engaged in the manufacturing activities. Further, the foreign exchange earnings and outgo for the financial year ended March 31, 2026 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 in the prescribed format are annexed hereto as **Annexure 5** and forms part of this report.

34. STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

There are no employees who are receiving remuneration exceeding of Rs. eight lakh and fifty thousand per month or Rs. one crore and two lakh rupees per annum under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Details of remuneration and top ten employees has been annexed as **Annexure 6**.

35. MAINTENANCE OF COST RECORDS AND COST AUDIT

Pursuant to the provisions of Section 148(1) of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records as specified by the Central Government. Accordingly, such accounts and records are made and maintained by the Company. M/s. P A A A & Associates, Cost Accountants (Firm Registration No. 006283), the Cost Auditor are in the process of carrying out the cost audit of the Company for FY26.

36. DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

During the year under review, neither any application was made nor is any proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

37. DETAILS OF DIFFERENCE BETWEEN AMOUNTS OF THE VALUATION

There was no one time settlement by the Company with the Banks or Financial Institutions during the year under review, thus, 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 are not applicable.

38. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the Company, confirm that

a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the company for that period.

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d) The directors had prepared the annual accounts on a going concern basis;

e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and

f) 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.

39. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at https://skflindia.com/code-and-policies/ .

40. DISCLOSURES AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESS) ACT, 2013

The Company has zero-tolerance for sexual harassment at the 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 framed thereunder. The Company has set up Internal Complaint Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 along with its relevant Rules.

The Committee met once during the FY2026 on December 17, 2025.

There was no complaint pending at the beginning and at the end of FY2025-26. No complaints have been received by the Committee during the FY2025-26.

41. MATERNITY BENEFIT PROVIDED BY THE COMPANY UNDER MATERNITY BENEFIT ACT 1961:

The Company declares that it has duly complied with the provisions of the Maternity Benefit Act, 1961. All eligible women employees have been extended the statutory benefits prescribed under the Act, including paid maternity leave, continuity of salary and service during the leave period, and post-maternity support such as nursing breaks and flexible return-to-work options, as applicable. The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

42. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In term of requirements of Regulation 34(2)(e) of SEBI (LODR) Regulation 2015, a "Management Discussion and Analysis Report" are set out as a separate section in this Annual Report which forms an integral part of this report.

43. TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years are also to be transferred to the Demat account of the IEPF Authority.

During the year, there was no unclaimed and unpaid dividend and corresponding equity shares on which dividend were unclaimed/unpaid for seven consecutive years which was required to be transferred as per the requirement of the IEPF Rules.

Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, as there were no equity shares on which dividend has not been paid or claimed for seven (7) consecutive years or more, no shares are due for transfer to the IEPF as notified by the Ministry of Corporate Affairs.

44. HUMAN RESOURCES

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain best talent in the market and the same can be felt in the past growth of the Company. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership, autonomy and towards this objective; your company makes all efforts on training. Your Company shall always place all necessary emphasis on continuous development of its Human Resources. The belief "Great People create Great Organization" has been at the core of the Company's approach to its people.

45. GENERAL

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

46. GREEN INITIATIVES

In commitment to keeping in line with the Green Initiative and going beyond it to create new green initiations, an electronic copy of the Notice of the 3rd Annual General Meeting of the Company along with a copy of the Annual Report is being sent to all Members whose email addresses are registered with the Company/ Depository Participant(s) and will is also available at the Company's website at https://skflindia.com/.

47. ACKNOWLDGEMENTS

Your Directors take this opportunity to express their sincere thanks to the Central Government and Governments of various states, Financial Institutions, Bankers and Customers for their co-operation and assistance extended.

Your Directors also wish to express their deep appreciation for the integrity and hard work of all the employees of the Company at all levels to cope-up the challenging scenario and strive for the growth of our Company.

The Board also takes this opportunity to express their deep gratitude for the continued co-operation and support received from the shareholders.

For and on behalf of the Board of Directors
SHREE KARNI FABCOM LIMITED

Date: September 8, 2026

Manoj Kumar Karnani	**Rajiv Lakhotia**
(Whole Time Director)	**(Managing Director)**
DIN: 08156230	**DIN: 02939190**
Place: Surat	**Place: Kolkata**

Annexure - 1

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR THE FINANCIAL YEAR 2025-26

1. **A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes**:

The CSR Committee of the Board was constituted by the Board of Directors in compliance with the requirement of the said section read with relevant rules.

The Company carries out CSR activities through directly and through trust registered with MCA. The Company's CSR Policy focuses on following major philanthropic areas:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- Promoting education by building schools and colleges and providing assistance for their maintenance.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Empowering the girl child through education and other initiatives.
- Improving healthcare (including preventive healthcare) by distributing free medicines and setting up dispensaries, health centres and maintenance thereof and providing assistance to charitable hospitals.
- Promoting sports.
- Focusing on community development through donations.

During FY2025-26, as per Section 135 of the Act, an amount of Rs. 36.44 lakhs was required to be spent by the Company on CSR activities. The Company has spent Rs. 36.50 lakhs during FY2026 (including set off of the excess spending from the previous year).

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

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sriyans Lunia	Independent Director	1	1
2.	Swati Singhania	Independent Director	1	Nil
3.	Radhe Shyam Daga	Director	1	1

**Sriyans Lunia demised on May 31, 2025 hence the committee got reconstituted*

The Committee got reconstituted as under:

Sr. No.	Name	Category	Designation
1	Pankaj Kumar Mohta	Chairperson	Independent Director
2	Swati Singhania	Member	Independent Director
3	Radhe Shyam Daga	Member	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.**

Composition of the CSR committee shared above and is available on the Company's website on- www.skflindia.com

CSR policy- www.skflindia.com/code-and-policies/
CSR projects: Not Applicable as the Company have not identified any CSR Project.

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 (attach the report).**

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**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ Lakhs)	Amount required to be set- off for the financial year, if any (₹ Lakhs)
1	2025-26	7.78	7.78

6. Average net profit of the company as per section 135(5) - **₹1821.81 Lakhs**
7. (a) Two percent of average net profit of the company as per section 135(5) **- ₹36.44 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- **₹ 7.78**
(d) Total CSR obligation for the financial year (7a+7b-7c). **- ₹ 28.65 lakhs**

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

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹ in Lakhs)	Date of transfer	Name of the Fund	Amount (₹ in Lakhs)	Date of transfer
28.72	Nil		Nil		

(b) Details of CSR amount spent against **on-going projects** for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
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	Project duration (in years)	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial year (` in Lakhs)	Amount transferred to Unspent CSR Account for the	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency

									project as per Section 135(6) (` in Lakhs)			
				State	District						Name	CSR Registration number

Not Applicable

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (₹ in Lakhs)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1	NA	Promoting education, including special education	No	Odisha	Cuttack	2.40	No	Amulya Jeevan Foundation	CSR00083882
2	NA	Promoting Health care Including Preventive Health care	No	West Bengal	Kolkata	0.31	No	St. Xaviers College	CSR00042788
3	NA	Animal Welfare	No	Rajasthan	Bikaner	3.00	No	Shri Murali Manohar Gaushala	CSR00039592
4	NA	Promoting Health care Including Preventive Health care	No	Rajasthan	Bikaner	2.00	No	Manav Sewa Samiti	CSR00037193
5	NA	Promoting education, including special education	No	West Bengal	Kolkata	1.00	No	Bengal Vipassana Kendra	CSR00028052
6	NA	Promoting Health care Including Preventive Health care	Yes	Gujarat	Surat	0.50	No	Maheswari Navyuvak Mandal	CSR00093495
7	NA	Setting Up Old Age Homes	Yes	Gujarat	Surat	0.51	No	Shri Ambika Niketan Trust	CSR00031443

8	NA	Promoting education, including special education and empowering women	No	Delhi	North East Delhi	19.00	No	JMV Child Care Foundation	CSR00099521

(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) - **₹ 28.72 lakhs**
(g) Excess amount for set off, if any-**7.78 lakhs**

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	36.44
(ii)	Total amount spent for the Financial Year	36.50
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.06
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.06

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹in Lakhs)	Amount spentin the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	
Not Applicable as there was no unspent amount in the preceding 3 financial years							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	ProjectID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on theproject in the reporting Financial Year (in Rs)	Cumulative amount spentat the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Not Applicable as the company has not undertaken any project								

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 **(asset-wise details).**
(a) Date of creation or acquisition of the capital asset(s)- **Nil**

(b) Amount of CSR spent for creation or acquisition of capital asset. **- Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **- Nil**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **- Nil**

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**

For and on behalf of the Board of Directors
SHREE KARNI FABCOM LIMITED

Date: September 8, 2026

Manoj Kumar Karnani
(Whole Time Director)
DIN: 08156230
Place: Surat

Rajiv Lakhotia
(Managing Director)
DIN: 02939190
Place: Kolkata

Annexure - 2

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

Part "A": Subsidiaries

Sr. No.	Particulars	
1.	Name of the subsidiary	M/s IGK Technical Textiles LLP
2.	The date when the Subsidiary was acquired	31-10-2023
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	2025-26
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
5.	Share capital	5,29,39,706.68
6.	Reserves & surplus	NIL
7.	Total assets	30,62,29,500.74
8.	Total Liabilities	25,32,89,794.06
9.	Investments	1,24,53,109
11.	Turnover	16,52,98,557.83
12.	Profit before taxation	27,00,259.37
13.	Provision for taxation	9,02,363
14.	Profit after taxation	17,97,896.37
15.	Proposed Dividend	NIL
16.	Extent of shareholding (in percentage)	66.67%

Notes:

1. Names of subsidiaries which are yet to commence operations: **NIL**

2. Names of subsidiaries which have been liquidated or sold during the year: **NIL**

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Textron Fabtech LLP
1. Latest Audit Balance Sheet Date	March 31, 2026
2. Date on which the Associate or Joint Venture was associated or acquired	31-10-2023
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	-
Amount of Investment in Associates or Joint Venture	45,00,000
Extent of Holding (in percentage)	45
4. Description of how there is significant influence	Stake of 45%
5. Reason why the associate/Joint venture is not consolidated.	NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet	84,93,889.76
7. Profit or Loss for the year	-15,39,850.82
i. Considered in Consolidation	-6,92,932.87
ii. Not Considered in Consolidation	-8,46,917.95

Notes:

1. Names of associates or joint ventures which are yet to commence operations: **NIL**

2. Names of associates or joint ventures which have been liquidated or sold during the year: **NIL**

For and on behalf of the Board of Directors
SHREE KARNI FABCOM LIMITED

Date: September 8, 2026

Manoj Kumar Karnani
(Whole Time Director)
DIN: 08156230
Place: Surat

Rajiv Lakhotia
(Managing Director)
DIN: 02939190
Place: Kolkata

Annexure -3

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 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,
SHREE KARNI FABCOM LIMITED
CIN: L47820GJ2023PLC140106
Plot 188, 189, 190
Block No. 314, Rajhans Texpa,
Village Baleshvar, Taluka Palsana,
Baleshwar, Surat, Gujarat, 394317

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHREE KARNI FABCOM LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

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

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

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

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

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not Applicable during the Audit Period;**

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable during the Audit Period;**

(f) 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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable during the Audit Period;**

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018- **Not Applicable during the Audit Period;**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015**;** and

I report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with all the laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I further report that:

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

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the Statutory Auditors, Tax Auditors and other designated professionals.

I further report that as per the explanations given to me and the representation made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

1. The Board of Directors at its meeting held on April 02, 2025, have approved

    - Issuance of 1,56,750 (One Lakh Fifty-Six Thousand Seven Hundred Fifty) equity shares of face value of Rs. 10/- each at a price of Rs.765/- (Seven Hundred and Sixty-Five Only) per equity share including a premium of Rs.755/- (Rupees Seven Hundred and Fifty-Five only) aggregating upto Rs. 11,99,13,750 /- (Rupees Eleven Crore Ninety-Nine Lakhs Thirteen Thousand Seven Hundred and Fifty Only).

- Issuance of 3,15,000 (Three Lakh Fifteen Thousand) Warrants on a preferential basis in accordance with the provisions of the Companies Act, 2013, the rules made thereunder and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, each warrant carrying a right to subscribe to one Equity Share of the Company at an exercise price of Rs. 765/- per Equity Share, aggregating to ₹.24,09,75,000.

2. The Board of Directors at its meeting held on September 8, 2025 have approved the appointment of the Mr. Pankaj Kumar Mohta (DIN: 11178087) as an Additional Director of the company.

3. The Board of Directors at its meeting held on November 4, 2025 have approved the appointment of Mr. Dhiraj Ramkishor Vaishnav (Membership No. A62575) as Company Secretary and Compliance officer of the Company.

4. The shareholders of the Company at their Annual General Meeting held on September 30, 2025, have approved the following:

    - Material related party transaction with M/s IGK Technical Textiles LLP and M/s Textron Fabtech LLP.

    - Appointment of Mr. Pankaj Kumar Mohta (DIN: 11178087) as Independent Director of the Company.

M Shahnawaz & Associates
Company Secretaries
Firm Regn. No: S2015WB331500

CS Md. Shahnawaz
Proprietor
Membership No.: 21427
CP No.: 15076
UDIN:A021427H000436413

Place: Kolkata
Date: May 21, ,2026

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

'ANNEXURE A'

To,
The Members,
SHREE KARNI FABCOM LIMITED
CIN: L47820GJ2023PLC140106
Plot 188, 189, 190
Block No. 314, Rajhans Texpa,
Village Baleshvar, Taluka Palsana,
Baleshwar, Surat, Gujarat, 394317

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.

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

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on 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.

M Shahnawaz & Associates
Company Secretaries
Firm Regn. No: S2015WB331500

CS Md. Shahnawaz
Proprietor
Membership No.: 21427
CP No.: 15076
Peer Review Regn No. 6376/2025
UDIN:A021427H000436413
Place: Kolkata
Date: May 21, 2026

ANNEXURE- 4

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)

Form for 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 arm's length transactions under third proviso thereto.

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

Name(s) of the related party and nature of relationship	IGK Technical Textiles LLP (Subsidiary)
Nature of contracts/arrangements/transactions	Rent
Duration of the contracts/arrangements/transaction	27 Years subject to approval of Board of Directors and Audit Committee every year.
Salient terms of the contracts or arrangements or transactions including the value, if any	Land of Company situated at Umalla Village, Taluka - Jhagadia, Bharuch has been given on rent by the Company to its subsidiary at a yearly rent of Rs. 5,000/- (Five Thousand Only) for a period of 27 years for installation of a ground-mounted solar project for captive consumption.
Justification for entering into such contracts or arrangements or transactions	The use of solar power will reduce IGK's energy costs, a key component of its production expenses, and provide long-term cost stability. IGK will, in turn, share these savings consistent with the parties' mutual understanding, ensuring a commercially efficient outcome.
Date of approval by the Board	29-05-2025
Amount paid as advances, if any	NIL
Date on which the resolution was passed in general meeting as required under first proviso to section 188	30-09-2025

2. Details of material contractors or arrangement or transactions at arm's length basis: NIL

For and on behalf of the Board of Directors
SHREE KARNI FABCOM LIMITED

Date: September 8, 2026

Manoj Kumar Karnani	**Rajiv Lakhotia**
(Whole Time Director)	**(Managing Director)**
DIN: 08156230	**DIN: 02939190**
Place: Surat	**Place: Kolkata**

Annexure - 5

DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A) CONSERVATION OF ENERGY

Sr.No	Particular	Remark
1.	the steps taken or impact on conservation of energy;	The Company has taken various steps for minimization of energy consumption by putting continuous efforts towards optimization of operating and processing activities, upgradation and modernization of plant equipment etc.
2	the steps taken by the company for utilizing alternate sources of energy	The company had finalized installing of roof top solar and a land has also been taken on lease by the company at Mangrol, Surat for installation of ground mounted solar through which company will supply the energy to its to Dyeing Unit Situated at Vesma, Navsari
3	the capital investment on energy conservation equipments;	310 Lakhs (Loan from ICICI Bank for Solar)

B) TECHNOLOGY ABSORPTION

From B: Disclosure of particulars with respect to Technology absorption	
Technology, absorption, adaptation and innovation	
Efforts made towards technology absorption	NIL
The benefits derived like product improvement, cost reduction, product development or import substitution	NIL
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL
Research & Development (R & D)	
the expenditure incurred on Research and Development	NIL

C) FOREIGN EXCHANGE EARNING AND OUTGO

(Rs In Lacs)

Particulars	FY 2026	FY2025
Foreign Exchange earnings	2,365.89	1,489.15
Foreign Exchange outgo	2895.61	1384.20

For and on behalf of the Board of Directors
SHREE KARNI FABCOM LIMITED

Date: September 8, 2026

Manoj Kumar Karnani	**Rajiv Lakhotia**
(Whole Time Director)	**(Managing Director)**
DIN: 08156230	**DIN: 02939190**
Place: Surat	**Place: Kolkata**

Annexure - 6

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2026:

Name of the Director / CEO / CFO / Company Secretary / Manager	Designation	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2025-26	Percentage increase in Remuneration during 2025-26
Rajiv Lakhotia	Managing Director	169.54	NIL
Radhe Shyam Daga	Whole-time Director	169.54	NIL
Manoj Kumar Karnani	Whole-time Director	169.54	NIL
Raj Kumar Agarwal	Whole-time Director	169.54	NIL
Arbind Kumar Lahoty	CFO	16.95	NIL
Dhiraj Ramkishor Vaishnav	Company Secretary	14.49	54.93

ii. The median remuneration of employees of the Company for the financial year 2025-26 was Rs. 35,390/-

iii. During the financial year 2025-26 there is no increase in the remuneration of median employee.

iv. There were 663 permanent employees on the rolls of the Company as on 31st March, 2026.

v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2025-26 was 218.87 % whereas there is no increase in managerial remuneration for the same financial year.

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

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 [READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENTAND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

It is hereby affirmed that:

(i) No employee was in receipt of remuneration for the year in aggregate of more than Rs. 102 Lakhs;

(ii) No employee was in receipt of remuneration for any part of the year at a rate which in aggregate was more than Rs. 8.50 lacs per month;

(iii) No employee was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

(iv) Top Ten Employees in terms of Remuneration drawn for F.Y. 2025-26 are as under:

Sr. No	Name	Designation	Remuneration (P.M.)	Qualification	Experience	Date Of Joining
1	Rajiv Lakhotia	Managing Director	5,00,000.00	B.Com	17 Years	11-04-2023
2	Radhe Shyam Daga	Whole-Time Director	5,00,000.00	SSC	27 Years	11-04-2023
3	Manoj Kumar Karnani	Whole-Time Director	5,00,000.00	HSC	20 Years	11-04-2023
4	Raj Kumar Agarwal	Whole-Time Director	5,00,000.00	B.Com	17 Years	11-04-2023
5	Dharmesh Bavishi	Associate Director	3,00,000	Production Engineer	25 Years	01-12-2024
6	Sudhir Panwar	Associate Director	3,00,000	MCA	29 Years	01-04-2024
7	Balram Karmakar	Dyeing Master	1,50,000	HSC	24 Years	01-09-2023
8	Bhawna Sharma	Merchandising Manager	1,25,000	Diploma in Textile Technology	19 Years	01-04-2024
9	Bramandanda Barik	Plant Head	1,60,000	Diploma in Textile Technology	22 Years	01-08-2025
10	Atul Prakash	Manager	1,25,000	Bachelor of Design	16 Years	01-04-2024

For and on behalf of the Board of Directors
SHREE KARNI FABCOM LIMITED

Date: September 8, 2026

Manoj Kumar Karnani
(Whole Time Director)
DIN: 08156230
Place: Surat

Rajiv Lakhotia
(Managing Director)
DIN: 02939190
Place: Kolkata

NOTICE OF AGM

NOTICE is hereby given that the 3rd Annual General Meeting of the members of **Shree Karni Fabcom Limited** will be held on Wednesday, September 30, 2026 at 1.30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the:

- Audited Standalone Annual Financial Statements of the Company for the financial year ended 31st March, 2026 and the Reports of the Board of Directors and the Auditors' thereon; and

- Audited Consolidated Annual Financial Statements of the Company for the financial year ended 31st March, 2026, and the Report of the Auditors' thereon.

2. To appoint a Director in place of Mr. Manoj Kumar Karnani (DIN: 08156230), Wholetime Director, who retires by rotation and being eligible, offers himself for re-appointment.

3. To declare the final dividend at 2.5 % i.e. ₹ 0.25 (Twenty-Five paise only) per Equity Shares of ₹ 10/- each for the financial year ended March 31, 2026.

SPECIAL BUSINESS:

4. To approve material related party transaction with M/s IGK Technical Textiles LLP.

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

RESOLVED THAT pursuant to Regulation(s) 23, 2(1)(zc) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, if any, (including any statutory modification(s) or amendment(s) thereto or reenactment(s) thereof, for the time being in force), the Company's Policy on Materiality of and Dealing with Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for entering into and/ or carrying out and/ or continuing with existing contracts/ arrangements/ transactions or modification(s) of earlier arrangement(s) / transaction(s) or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise) with IGK Technical Textiles LLP (Subsidiary of the Company), falling within the definition of 'Related Party Transaction' under Regulation 2(1)(zc) of the Listing Regulations, as detailed in the explanatory statement to this Resolution, on such material terms and conditions as mentioned therein and as may be mutually agreed between the parties, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed from time to time the prescribed thresholds as per the provisions of Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company except the rental income transaction.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, with power to alter and vary the terms and conditions of such contract(s)/ arrangement(s)/ transaction(s), and to take all such steps as may be required to give effect to this Resolution without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution**."**

5. Re appointment of Mr. Rajiv Lakhotia (DIN: 02939190), as Managing Director of the Company

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of NRC (Nomination and Remuneration Committee), the approval of the members be and is hereby accorded for the appointment of Mr. Rajiv Lakhotia (DIN: 02939190), as Managing Director of the Company for a period of 5 (five) years commencing from October 10, 2026 to October 9, 2031, on the terms and conditions including revision in remuneration as set out below with liberty to the Board of Directors to vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and that he shall be liable to retire by rotation;

A. BASIC SALARY: Rs. 5,00,000/- per month

B. PERQUISITES:

Category A:

1. Medical Reimbursement for self and family as per the rules of the Company.
2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.

Category B:

1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.
2. Encashment of leave as per the rules of the Company.

Category C:

1. Car, telephone at residence and mobile phone for use on Company's business.

RESOLVED FURTHER THAT the above terms and conditions may be altered, modified or varied including the remuneration as approved above, in such manner as may be agreed to between the Board and Mr. Rajiv Lakhotia.

RESOLVED FURTHER THAT during the tenure of Mr. Rajiv Lakhotia, the remunerations as approved hereby shall be paid to him as a minimum remuneration in compliance with the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution."

6. Re appointment of Mr. Radhe Shyam Daga (DIN: 07848061), as Whole Time Director of the Company

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of NRC (Nomination and Remuneration Committee), the approval of the members be and is hereby accorded for the appointment of Mr. Radhe Shyam Daga (DIN: 07848061), as Whole Time Director of the Company for a period of 5 (five) years commencing from October 10, 2026 to October 9, 2031, on the terms and conditions including revision in remuneration as set out below with liberty to the Board of Directors to vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and that he shall be liable to retire by rotation;

A. BASIC SALARY: Rs. 5,00,000/- per month

B. PERQUISITES:

Category A:
1. Medical Reimbursement for self and family as per the rules of the Company.

2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.

Category B:
1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.

2. Encashment of leave as per the rules of the Company.

Category C:

1. Car, telephone at residence and mobile phone for use on Company's business.

RESOLVED FURTHER THAT the above terms and conditions may be altered, modified or varied including the remuneration as approved above, in such manner as may be agreed to between the Board and Mr. Radhe Shyam Daga.

RESOLVED FURTHER THAT during the tenure of Mr. Radhe Shyam Daga, the remunerations as approved hereby shall be paid to him as a minimum remuneration in compliance with the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution."

7. Re appointment of Mr. Manoj Kumar Karnani (DIN: 08156230), as Whole Time Director of the Company

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of NRC (Nomination and Remuneration Committee), the approval of the members be and is hereby accorded for the appointment of Mr. Manoj Kumar Karnani (DIN: 08156230), as Whole Time Director of the Company for a period of 5 (five) years commencing from October 10, 2026 to October 9, 2031, on the terms and conditions including revision in remuneration as set out below with liberty to the Board of Directors to vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and that he shall be liable to retire by rotation;

A. BASIC SALARY: Rs. 5,00,000/- per month

B. PERQUISITES:

Category A:
1. Medical Reimbursement for self and family as per the rules of the Company.

2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.

Category B:
1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.

2. Encashment of leave as per the rules of the Company.

Category C:
1. Car, telephone at residence and mobile phone for use on Company's business.

RESOLVED FURTHER THAT the above terms and conditions may be altered, modified or varied including the remuneration as approved above, in such manner as may be agreed to between the Board and Mr. Manoj Kumar Karnani.

RESOLVED FURTHER THAT during the tenure of Mr. Manoj Kumar Karnani, the remunerations as approved hereby shall be paid to him as a minimum remuneration in compliance with the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force**.**

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution."

8. Re appointment of Mr. Raj Kumar Agarwal (DIN: 09748957), as Whole Time Director of the Company

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of NRC (Nomination and Remuneration Committee), the approval of the members be and is hereby accorded for the appointment of Mr. Raj Kumar Agarwal (DIN: 09748957),, as Whole Time Director of the Company for a period of 5 (five) years commencing from October 10, 2026 to October 9, 2031, on the terms and conditions including revision in remuneration as set out below with liberty to the Board of Directors to vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and that he shall be liable to retire by rotation;

C. BASIC SALARY: Rs. 5,00,000/- per month

D. PERQUISITES:

Category A:

1. Medical Reimbursement for self and family as per the rules of the Company.

2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.

Category B:

1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.

2. Encashment of leave as per the rules of the Company.

Category C:

2. Car, telephone at residence and mobile phone for use on Company's business.

RESOLVED FURTHER THAT the above terms and conditions may be altered, modified or varied including the remuneration as approved above, in such manner as may be agreed to between the Board and Mr. Raj Kumar Agarwal.

RESOLVED FURTHER THAT during the tenure Mr. Raj Kumar Agarwal, the remunerations as approved hereby shall be paid to him as a minimum remuneration in compliance with the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force**.**

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution."

September 8, 2026
Registered Office:
Shree Karni Fabcom Limited
Plot no -188, 189, 190, Block No - 314,
Rajhans Texpa NH-48,
Village- Baleshwar Taluka
Palsana Surat – 394317
Tel : +91 - 262 235 0900
Email : cs@skflindia.com
Website: www.skflindia.com
CIN: L47820GJ2023PLC140106

By order of the Board
For Shree Karni Fabcom Limited

Dhiraj Ramkishor Vaishnav
Company Secretary & Compliance Officer
M. No. A62575

NOTES:

1. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, 11/2022 dated December 28, 2022 and latest General Circular No. 09/2023 dated September 25, 2023 and latest General Circulars No. 09/2024 dated September 19, 2024, respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI / HO / CFD/ CFDPoD-2 / CMD1 / CIR / P / 2020 / 79, SEBI / HO / CFD / CMD2 / CIR / P / 2021 / 11and SEBI / HODDHS / P / CIR / 2022 / 0063 / 2024 / 133 dated October 3, 2024, May 12, 2020, January 15, 2021, May 13,2022, 11/2022 dated December 28, 2022 and SEBI vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 ("SEBI Circular") respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

2. A statement giving relevant details of the directors seeking appointment/ reappointment under Item No. 2 and item no 5 to 8 of the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith this notice.

3. The Explanatory Statement setting out material facts concerning the business under Item Nos. 4 to 8 of the Notice is annexed hereto. *[Section 102 of the Companies Act, 2013 ("Act")]*

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The Board of Directors has appointed **CS Md. Shahnawaz, Practicing Company Secretary (ACS No. 21427, CP No. 15076)** as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

5. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization be sent to the Scrutinizer by email through its registered email address to msassociates16@gmail.com with a copy marked to evoting@nsdl.co.in.

6. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.

8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

10. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, email id, mobile number at cs@skflindia.com. The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

11. The Registers of Members and Share Transfer Books of the Company will remain closed from **Thursday, September 24, 2026 to Wednesday, September 30, 2026** (both days inclusive) for the purpose of annual closure of books.

12. In accordance with SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated 30/11/2018 any request for physical transfer of shares shall not be processed w.e.f April 01,2019.

13. Since the 3rd AGM will be held through VC/ OAVM pursuant to the Circulars, the proxy form, attendance slip and route map have not been annexed to this Notice.

    Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

i. Issue of duplicate share certificate
ii. Claim from unclaimed suspense account
iii. Renewal/Exchange of securities certificate
iv. Endorsement
v. Sub-division / splitting of securities certificate
vi. Consolidation of securities certificates/folios
vii. Transmission
viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 to the Registrar and Transfer Agent ('RTA') of the Company, M/s. MAS Services Ltd, The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

14. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022. Registrar will not process, any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder and such shareholders holding will be frozen by RTA on or after 1st April 2023.

    The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

    i. PAN; (using ISR-1)
    ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
    iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
    iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
    v. Specimen signature. (using ISR-2)

    Any cancellation or change in nomination shall be provided in Form No.SH-14

    All of above required documents/details to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA website i.e www.masserv.com.

    In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.

    A separate communication has already been sent to the respective shareholders.

15. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2025-26 are available on the website of the Company at https://skflindia.com/ and on the website of the Stock Exchange i.e. National Stock Exchange of India Limited at https://www.nseindia.com/ and on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in Financial Express (English Edition) and Financial Express (Gujarati Edition).

16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.

17. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.

18. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company / RTA if the shares are held by them in physical form.

19. For receiving all future correspondence (including Annual Report) from the Company electronically –

In case you have not registered your email ID with the Company/ Depositary, please follow below instructions to register your email ID for obtaining Annual Report for FY 2025-2026 and login details for e-voting.

Physical Holding

Send a signed request letter to Registrar and Transfer Agents of the Company, MAS Services Limited at investor@masserv.com providing Folio Number, Name of the Shareholder, scanned copy of the Share Certificate (Front and Back), PAN (Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) with subject line (Register E-mail ID Folio No (Mention Folio No) of Shree Karni Fabcom Limited.

Demat Holding

Please contact your Depositary Participant (DP) and register your email address as per the process advised by DP.

20. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2025-26 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice of the AGM and Annual Report may get themselves registered with RTA by emailing for obtaining the same. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communications through e-mail going forward.

    Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website https://skflindia.com/ , websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at https://www.nseindia.com / and on the website of NSDL https://www.evoting.nsdl.com

21. In line with the measures of "Green Initiatives", the Act provides for sending Notice of the AGM and all other correspondences through electronic mode. Hence, Members who have not registered their email IDs so far with their depository participants are requested to register their email ID for receiving all the communications including Annual Report, Notices etc., in electronic mode. The Company is concerned about the environment and utilises natural resources in a sustainable way.

22. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e Wednesday, September 23, 2026, such person may obtain the User ID and Password from RTA by e-mail request on investor@masserv.com.

23. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

24. The Company has not paid any dividend in past, thus, details of the amount of dividend which remained unpaid/unclaimed for a period of 7 years and due for transfer to IEPF is not applicable to the Company.

    Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, as there is no equity shares on which dividend has not been paid or claimed for seven (7) consecutive years or more, no shares are due for transfer to the IEPF as notified by the Ministry of Corporate Affairs.

25. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no/email ID with their respective depository participants.

26. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details 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 accounts of the Member(s) through Electronic

Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Real Time Gross Settlement (RTGS)/ Direct Credit/NEFT etc. In the absence of ECS facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend.

In order to receive the dividend without loss of time, the Members holding shares in physical form are requested to submit particulars of their bank accounts along with the original cancelled cheque bearing the name of the Member to the RTA, MAS Services Limited/Company to update their bank account details and all the eligible shareholders holding shares in demat mode are requested to update with their respective DPs, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, e-mail ID and Mobile No(s).

Members holding shares in physical form may communicate these details to the RTA viz. MAS Services Limited having address at RTA i.e. MAS Services Limited, having address at T-34 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi 110020, by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ('PAN') card.

This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically. Updation of e-mail IDs and Mobile No(s) will enable the Company in sending communication relating to credit of dividend, un-encashed dividend, etc.

The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

27. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, upto the date of meeting.

28. The Company has fixed Friday, **Wednesday, September 23, 2026** as the 'Record Date' for determining entitlement of members to receive dividend for the FY 2025-26, if approved at the AGM. Those members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid subject to applicable TDS.

29. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice 3rd Annual General Meeting (AGM) through electronic voting system, to members holding shares as on **Wednesday, September 23, 2026** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, September 27, 2026 at 9:00 A.M. and ends on Tuesday, September 29, 2026 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 23, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 23, 2026.

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

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
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 options available against company name or **e-Voting service provider – NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. 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 4. 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 held 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 options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speed_e**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their 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/loginor www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 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 link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
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. Once 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 options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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.inor call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

n to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?
If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.
How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to msassociates16@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 – 4886 7000or send a request to Amit Vishal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@masserv.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@masserv.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@skflindia.com. The same will be replied by the company suitably.

General Instructions

i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

ii. CS Md. Shahnawaz, Practicing Company Secretary (Membership No. ACS- 21427 & CP No. 15076) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

iii. The members, who are present VC / OAVM at the AGM but have not cast their votes during the remote e-voting period, shall be allowed to cast their voting through evoting.

iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

v. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company https://skflindia.com/and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the National Stock Exchange of India Limited.

September 8, 2025
Registered Office:
Shree Karni Fabcom Limited
Plot no -188, 189, 190, Block No - 314,
Rajhans Texpa NH-48,
Village- Baleshwar Taluka
Palsana Surat – 394317
Tel : +91 - 262 235 0900
Email : shreekarni@skflindia.com
Website: www.skflindia.com
CIN: L47820GJ2023PLC140106

By order of the Board
For Shree Karni Fabcom Limited

Dhiraj Ramkishor Vaishnav
Company Secretary & Compliance Officer
M. No. A62575

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, prior approval of the Members by way of an ordinary resolution is required for all material related party transactions and subsequent material modifications thereof, as defined by the Audit Committee, even if such transactions are in the ordinary course of business and on an arm's length basis.

Effective from April 1, 2025, in case of a listed entity having its specified securities listed on the SME Exchange, a transaction with a related party shall be considered as material if the transaction(s) to be entered into by the listed entity, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) Rs. 50 crores or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

The Company, along with its subsidiary, may from time to time enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), may cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangement(s)/ transaction(s) proposed to be undertaken by the Company, either directly or along with its subsidiary. All the said transactions shall be in the ordinary course of business of the Company and on arm's length basis except the rental income transaction.

The proposed transaction(s) are considered to be in the best interest of the Company as they are aligned with its business objectives and are expected to facilitate operational efficiency, business growth and optimal resource utilization. The pricing and other material terms of the transaction(s) have been determined based on commercially negotiated terms, prevailing market conditions and comparable market benchmarks, wherever applicable.

The Audit Committee, at its meeting held on May 21, 2026, on the basis of the relevant details placed before it by the management and after reviewing the certificates and confirmations provided by the Whole-Time Director and Chief Financial Officer, as required under the applicable regulatory framework, has reviewed and approved the proposed transaction(s), subject to the approval of the Members of the Company.

Your Board of Directors considered the same and recommends passing of the resolution) contained in Item No. 4 of this Notice.

In terms of SEBI Circular dated June 26, 2025 on Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" ("RPT Industry Standards"), which is effective from September 01, 2025, the explanatory statement contained in this Notice provides the required information:

Pursuant to the SEBI Circular dated June 26, 2025, the Minimum Information relating to the proposed related party transaction(s) is provided as under:

Sr. No	**Particulars of the information**	**Information provided by the management**
A. Details of the related party and transactions with the related party		
A (1). Basic details of the Related Party		
1.	Name of the Related Party	IGK Technical Textiles LLP ("IGK")

2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	IGK is pre dominantly engaged in technical textile manufacturing.
A (2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (Financial or otherwise) and the following:	IGK is subsidiary of Shree Karni Fabcom Limited ("SKFL")
	• Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. • Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary). • Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary (in case of transaction involving the subsidiary). *Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity/ subsidiary/ related party has control.* While calculating indirect shareholding, shareholding held by relatives shall also be considered.	NIL 66.67% NIL
A (3). Details of previous transactions with the related party		
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	

Year	Nature of Transactions	Amount
	Purchase, Sale or	1593.95 Lakhs

		2025-26 — supply of goods and Services: — Rent: 0.05 Lakhs
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	**Quarter** | **Nature of Transactions** | **Amount** June-2026 | Job Work | 236.84 Lakhs
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No
A (4). Amount of the proposed transactions (All types of transactions taken together)		
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/shareholders	***Nature of Transaction*** | ***Amount*** Sale, purchase or supply of goods. | 3,000 Lakhs Rent | 0.05 Lakhs
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT ?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	***Nature of Transaction*** | ***(%)*** Sale, purchase or supply of goods. | 14.74 (Approx) Rent | Negligible
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	***Nature of Transaction*** | ***(%)*** Sale, purchase or supply of goods. | 181.49 (Approx) Rent | Negligible

6.	Financial performance of the related party for the immediately preceding financial year.	Details of KPI on Standalone Basis: **FY 2025-26** **Particulars** / **Amount (Rs. In Lakhs)** Turnover: 1652.99 Profit After Tax: 17.98 Net Worth: 529.40

A (5). Basic details of the proposed transaction (Sale, purchase or supply of goods.)		
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sale, purchase or supply of goods.
2.	Details of each type of the proposed transaction	SKFL may from time to time enter in transaction with IGK for getting technical textile manufacturing work done for its customers. All the proposed transactions will be carried out on an arm's length basis and in ordinary course of business.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	For the financial years FY 2026-27.
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	30 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed transactions between SKFL and IGK are operationally and commercially aligned with the business objectives of SKFL. SKFL is engaged in the business of manufacturing of specialized technical textile which includes weaving, coated, printing and finishing of grey fabric to produce finished knitted and woven fabrics used in luggage, medical arch support, chairs, shoes and apparels industry. It specialize in wide range of fabrics like Woven Fabrics, Knitted Fabrics, Coated Fabrics, 100% polyester and recycled polyester fabric. It procure yarns, resin, acrylic and coating chemicals from the domestic market to manufacture specialized technical textile and sell them to various luggage, medical arch support, chairs, shoes and apparels manufacturers and other textile intermediaries. IGK Technical Textile LLP, being pre dominantly engaged in technical textile manufacturing, is well positioned to cater to such requirements of SKFL. Its in-house manufacturing

		capabilities, end-to-end process control enables it to act as one-stop solutions provider for Technical Textile players like SKFL. This integration is expected to support efficient project execution, better quality control, reduced coordination complexities and improved turnaround timelines. From IGK's perspective, the proposed transactions are expected to provide a stable and scalable order pipeline linked to SKFL's technical textile portfolio, which would support optimal capacity utilization of IGK's manufacturing facilities, improve operating efficiencies and provide better visibility of revenues. The business engagement with SKFL also enables IGK to strengthen its presence in the fast-growing technical textile segment and leverage group-level domain synergies. In view of the operational synergies, business efficiencies and revenue visibility expected from the proposed arrangements, the transactions are considered to be in the best interests of SKFL and its public shareholders.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director / KMP	Mr. Radhe Shyam Daga, being the Whole Time Director and Promoter of SKFL and acting as authorized representative on behalf of SKFL in IGK, may be considered interested in the proposed transactions.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	NIL
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	None

A (5). Basic details of the proposed transaction (Rent)		
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Rent
2.	Details of each type of the proposed transaction	SKFL has given its land situated at Village – Umalla, Taluka – Jhagadia, Bharuch, Gujarat to IGK on rent for using the same for installation of ground mounted solar panels for captive consumption purpose.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	For the financial years FY 2025-26 to 2051-2052 subject to the approval from the audit committee every year.
4.	Whether omnibus approval is being sought?	Yes

5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	0.05 Lakhs every year subject to the approval audit committee.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed transaction between SKFL and IGK will enable installation of a ground-mounted solar project for captive consumption. The use of solar power will reduce IGK's energy costs, a key component of its production expenses, and provide long-term cost stability. IGK will, in turn, share these savings consistent with the parties' mutual understanding, ensuring a commercially efficient outcome.
7.	Details of the promoter(s)/ director(s)/ key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director / KMP	Mr. Radhe Shyam Daga, being the Whole Time Director and Promoter of SKFL and acting as authorized representative on behalf of SKFL in IGK, may be considered interested in the proposed transactions.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	NIL
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	None

B. Information to be provided only if a specific type of RPT as mentioned below is proposed to be undertaken and is in addition to Part A,		
B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	The Company follows its standard commercial and procurement framework for selection of counterparties for sale, purchase or supply of goods and services. The pricing and commercial terms are determined based on prevailing market conditions, comparable third-party quotations, wherever available, and commercially negotiated terms in the ordinary course of business.
2.	Basis of determination of price	The pricing of the proposed transactions is determined on an arm's length basis, having regard to prevailing market prices, comparable third-party quotations, wherever available and pricing for similar products supplied by the Company to unrelated parties in the ordinary course of business, wherever applicable.
3.	In case of trade advance (*of upto 365 days or such period for which such advances are extended as per normal trade practice*), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	NIL
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

None of the other Directors / Key Managerial Personnel of the Company or their relatives, except as mentioned above in point 7 of A(5), are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

On the Basis the consideration and approval of the Audit Committee, the Board of Directors recommend the Ordinary Resolution forming part of Item No. 4 of the accompanying Notice to the shareholders for approval.

ITEM NO. 5

Mr. Rajiv Lakhotia, aged 45 years, is one of the Promoters & Managing Director of Company. He attended University of Calcutta to pursue a bachelor's degree in commerce. He is presently heading our Customer Development and Sales Department considering the changing need of the industry and plays a key role in the growth & development of our company.

The tenure of Mr. Rajiv Lakhotia as Managing Director of the Company shall expire on October 9, 2026.

In appreciation of contributions of Mr. Rajiv Lakhotia, the Board of Directors of the Company has proposed to re-appoint him as Managing Director of the Company for a further period of 5 (Five) years from October 10, 2026 to Octobre 9, 2031.

Mr. Rajiv Lakhotia, holds 13,28,750 (17.61%) equity shares in the Company.

The members are informed that the aggregate remuneration as stated in the resolution shall be payable to Mr. Rajiv Lakhotia as minimum remuneration in case, the Company's profits are inadequate in any financial year during currency of the term of Mr. Rajiv Lakhotia.

Further, the Board may alter, modify or vary the terms and conditions including the remuneration as approved hereby, in such manner as may be agreed to between the Board and Mr. Rajiv Lakhotia, subject to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:

Where the effective Capital is	**Maximum Yearly Permissible Limit of Managerial Remuneration Per Person:**
Rs.5 crores and above but less than Rs.100 crores	Rs.84 lakhs *

The remuneration in excess of the above limit can be paid if the same is approved by special resolution. Accordingly, it is proposed to pass a special resolution to pay remuneration, including any enhanced remuneration, in excess of aforesaid limit.

The Board of Directors of your Company is of the opinion that it is in the interest of the Company to appoint Mr. Rajiv Lakhotia as Managing Director of the Company.

The terms and conditions of Mr. Rajiv Lakhotia's appointment as Managing Director as stated in the resolution in form of a memorandum will be available for inspection by the members of the Company at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 3.00 p.m. up to the date of the Meeting.

A brief resume of Mr. Rajiv Lakhotia and a statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, is annexed herewith.

Mr. Rajiv Lakhotia is interested in the resolution set out at Item No. 5 of this Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

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

ITEM NO. 6

Mr. Radhe Shyam Daga, aged 68 years, is one of the Promoters and Whole-time Director of our Company. Mr. Daga is having more than 20 years of experience in textile industry. He is presently supervising the day-to-day operations of our company.

The tenure of Mr. Radhe Shyam Daga as Whole Time Director of the Company shall expire on October 9, 2026.

In appreciation of contributions of Mr. Radhe Shyam Daga, the Board of Directors of the Company has proposed to re-appoint him as Wholetime Director of the Company for a further period of 5 (Five) years from October 10, 2026 to Octobre 9, 2031.

Mr. Radhe Shyam Daga, holds 13,28,750 (17.61%) equity shares in the Company.

The members are informed that the aggregate remuneration as stated in the resolution shall be payable to Mr. Radhe Shyam Daga as minimum remuneration in case, the Company's profits are inadequate in any financial year during currency of the term of Mr. Radhe Shyam Daga.

Further, the Board may alter, modify or vary the terms and conditions including the remuneration as approved hereby, in such manner as may be agreed to between the Board and Mr. Radhe Shyam Daga, subject to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:

Where the effective Capital is	**Maximum Yearly Permissible Limit of Managerial Remuneration Per Person:**
Rs.5 crores and above but less than Rs.100 crores	Rs.84 lakhs *

The remuneration in excess of the above limit can be paid if the same is approved by special resolution. Accordingly, it is proposed to pass a special resolution to pay remuneration, including any enhanced remuneration, in excess of aforesaid limit.

The Board of Directors of your Company is of the opinion that it is in the interest of the Company to appoint Mr. Radhe Shyam Daga as Whole Time Director of the Company.

The terms and conditions of Mr. Radhe Shyam Daga's appointment as Whole Time Director as stated in the resolution in form of a memorandum will be available for inspection by the members of the Company at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 3.00 p.m. up to the date of the Meeting.

Mr. Radhe Shyam Daga will attain the age of 70 years on June 12, 2028 and in order to continue his directorship, a Special Resolution has to be passed. The Board proposes to retain him as Whole Time Director in light of his vast immense knowledge and enriched technical experience which he has been contribution immensely in the growth of the Company. The Board also considers that his continued association would be of immense benefit to the Company and recommends the special resolution for continuation of his directorship in the Company in order to comply with the provisions of Sections 196, 197, 198, and 203 read with schedule V and other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in accordance with the Articles of Association of the Company.

A brief resume of Mr. Radhe Shyam Daga and a statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, is annexed herewith.

Mr. Radhe Shyam Daga is interested in the resolution set out at Item No. 6 of this Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 6 of this Notice for approval by the members.

ITEM NO. 7

Mr. Manoj Kumar Karnani, aged 51 years, is a Promoter and Whole-time Director of our Company. He is working as an independent agent providing custom clearance consultancy to businesses engaged in import and export of goods. Being well versed with Custom laws and having more than 20 years of experience in import and export handling, he plays an instrumental role in smoothening the import & export functions of our company.

The tenure of Mr. Manoj Kumar Karnani as Whole Time Director of the Company shall expire on October 9, 2026.

In appreciation of contributions of Mr. Manoj Kumar Karnani, the Board of Directors of the Company has proposed to re-appoint him as Whole Time Director of the Company for a further period of 5 (Five) years from October 10, 2026 to Octobre 9, 2031.

Mr. Manoj Kumar Karnani, holds 13,28,750 (17.61%) equity shares in the Company.

The members are informed that the aggregate remuneration as stated in the resolution shall be payable to Mr. Manoj Kumar Karnani as minimum remuneration in case, the Company's profits are inadequate in any financial year during currency of the term of Mr. Manoj Kumar Karnani.

Further, the Board may alter, modify or vary the terms and conditions including the remuneration as approved hereby, in such manner as may be agreed to between the Board and Mr. Manoj Kumar Karnani, subject to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:

Where the effective Capital is	Maximum Yearly Permissible Limit of Managerial Remuneration Per Person:
Rs.5 crores and above but less than Rs.100 crores	Rs.84 lakhs *

The remuneration in excess of the above limit can be paid if the same is approved by special resolution. Accordingly, it is proposed to pass a special resolution to pay remuneration, including any enhanced remuneration, in excess of aforesaid limit.

The Board of Directors of your Company is of the opinion that it is in the interest of the Company to appoint Mr. Manoj Kumar Karnani as Whole Time Director of the Company.

The terms and conditions of Mr. Manoj Kumar Karnani's appointment as Whole Time Director as stated in the resolution in form of a memorandum will be available for inspection by the members of the Company at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 3.00 p.m. up to the date of the Meeting.

A brief resume of Mr. Manoj Kumar Karnani and a statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, is annexed herewith.

Mr. Manoj Kumar Karnani is interested in the resolution set out at Item No. 7 of this Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 7 of this Notice for approval by the members.

ITEM NO. 8

Mr. Raj Kumar Agarwal, 42 years old, serves as a Promoter and Whole-time Director for our company. He pursued his Bachelor's degree in Commerce at Capital University. With a profound understanding of the Chinese market, fluency in the Chinese language, and extensive knowledge of the local market in China, Mr. Agarwal dedicates the majority of his time in China. He currently oversees all Chinese procurement activities for the company, managing the sourcing of raw materials, machine parts, and finished and semi-finished goods.

The tenure of Mr. Raj Kumar Agarwal as Whole Time Director of the Company shall expire on October 9, 2026.

In appreciation of contributions of Mr. Raj Kumar Agarwal, the Board of Directors of the Company has proposed to re-appoint him as Whole Time Director of the Company for a further period of 5 (Five) years from October 10, 2026 to Octobre 9, 2031.

Mr. Raj Kumar Agarwal, holds 13,28,750 (17.61%) equity shares in the Company.

The members are informed that the aggregate remuneration as stated in the resolution shall be payable to Mr. Raj Kumar Agarwal as minimum remuneration in case, the Company's profits are inadequate in any financial year during currency of the term of Mr. Raj Kumar Agarwal

Further, the Board may alter, modify or vary the terms and conditions including the remuneration as approved hereby, in such manner as may be agreed to between the Board and Mr. Raj Kumar Agarwal, subject to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:

Where the effective Capital is	Maximum Yearly Permissible Limit of Managerial Remuneration Per Person:
Rs.5 crores and above but less than Rs.100 crores	Rs.84 lakhs *

The remuneration in excess of the above limit can be paid if the same is approved by special resolution. Accordingly, it is proposed to pass a special resolution to pay remuneration, including any enhanced remuneration, in excess of aforesaid limit.

The Board of Directors of your Company is of the opinion that it is in the interest of the Company to appoint Mr. Raj Kumar Agarwal as Whole time Director of the Company.

The terms and conditions of Mr. Raj Kumar Agarwal's appointment as Whole Time Director as stated in the resolution in form of a memorandum will be available for inspection by the members of the Company at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 3.00 p.m. up to the date of the Meeting.

A brief resume of Mr. Raj Kumar Agarwal and a statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, is annexed herewith.

Mr. Raj Kumar Agarwal is interested in the resolution set out at Item No. 8 of this Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 8 of this Notice for approval by the members.

STATEMENT OF PARTICULARS

(PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013)

STATEMENT PURSUANT TO THE PROVISIONS OF PART II SECTION II (B)(iv) OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT TO ITEM NOS. 5 TO 8 OF THE NOTICE

I. General Information:

1. **<u>Nature of Industry</u>**:

Shree Karni Fabcom Limited is engaged in the business of manufacturing of specialized technical textile includes weaving, coated, printing and finishing of grey fabric to produce finished knitted and woven fabrics used in luggage, medical arch support, chairs, shoes and apparels industry. It specializes in wide range of fabrics like Woven Fabrics, Knitted Fabrics, Coated Fabrics, 100% polyester and recycled polyester fabric. textile intermediaries.

2. **Date or expected date of commencement of commercial production**:

The Company is in operation since date of its Incorporation.

3. **In case of new companies, expected date of commencement of activities as per project approval by financial institution appearing in the prospectus**:

Not Applicable

4. **Financial performance based on given indicators**:

(Rs. In Lacs)

Sl. No.	Particulars	2025-26	2024-25	2023-24
1.	Turnover	20295.33	16571.03	13079.84
2.	Profit/(Loss)before tax	2064.97	2049.25	1696.35
3.	Net Profit/(Loss) after tax	1523.55	1510.64	1301.15
4.	Paid-up share capital	722.88	707.20	707.20
5.	Reserves & Surplus	10297.74	7590.72	5912.23

5. **Foreign Investments or collaborations, if any**-

The Company has not entered into any foreign collaboration.

II. Information about the appointee:

Sr. No.	Particulars	Rajiv Lakhotia	Radhe Shyam Daga	Manoj Kumar Karnani	Raj Kumar Agarwal
1	Background details	Mr. Rajiv Lakhotia, aged 45 years, is one of the Promoters & Managing Director of Company. He attended	Mr. Radhe Shyam Daga, aged 68 years, is one of the Promoters and Whole-time Director of our Company.	Mr. Manoj Kumar Karnani, aged 51 years, is a Promoter and Whole-time Director of our Company.	Mr. Raj Kumar Agarwal, 42 years old, serves as a Promoter and Whole-time Director for our company. He pursued his

		University of Calcutta to pursue a bachelor's degree in commerce. He is presently heading our Customer Development and Sales Department considering the changing need of the industry and plays a key role in the growth & development of our company.	Mr. Daga is having more than 20 years of experience in textile industry. He is presently supervising the day-to-day operations of our company.	He is working as an independent agent providing custom clearance consultancy to businesses engaged in import and export of goods. Being well versed with Custom laws and having more than 20 years of experience in import and export handling, he plays an instrumental role in smoothening the import & export functions of our company.	Bachelor's degree in Commerce at Capital University. With a profound understanding of the Chinese market, fluency in the Chinese language, and extensive knowledge of the local market in China, Mr. Agarwal dedicates the majority of his time in China. He currently oversees all Chinese procurement activities for the company, managing the sourcing of raw materials, machine parts, and finished and semi-finished goods.
2	Past Remuneration	FY 2023-24: 60 Lakhs FY 2024-25: 87 Lakhs FY 2025-26: 60 Lakhs	FY 2023-24: 60 Lakhs FY 2024-25: 87 Lakhs FY 2025-26: 60 Lakhs	FY 2023-24: 60 Lakhs FY 2024-25: 87 Lakhs FY 2025-26: 60 Lakhs	FY 2023-24: 60 Lakhs FY 2024-25: 87 Lakhs FY 2025-26: 60 Lakhs
3	Recognition or awards	N.A.	N.A.	N.A.	N.A.
4	Job profile and his suitability	The Managing Director shall be responsible for the management of the whole of the affairs of the company and to do all acts and things, which in the	The Whole Time Director shall be responsible for the management of the whole of the affairs of the company and to do all acts and things, which in the	The Whole Time Director shall be responsible for the management of the whole of the affairs of the company and to do all acts and things, which in the	The Whole Time Director shall be responsible for the management of the whole of the affairs of the company and to do all acts and things, which in the ordinary course of

		ordinary course of business, he considers necessary or proper in the interest of the company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement, the proposed appointment is in the interest of the company.	ordinary course of business, he considers necessary or proper in the interest of the company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement, the proposed appointment is in the interest of the company.	ordinary course of business, he considers necessary or proper in the interest of the company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement, the proposed appointment is in the interest of the company.	business, he considers necessary or proper in the interest of the company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement, the proposed appointment is in the interest of the company.
5	Remuneration proposed	C. BASIC SALARY: Rs. 5,00,000/- per month D. PERQUISITES: Category A: 1. Medical Reimbursement for self and family as per the rules of the Company. 2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. Category B: 3. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or	E. BASIC SALARY: Rs. 5,00,000/- per month F. PERQUISITES: Category A: 1. Medical Reimbursement for self and family as per the rules of the Company. 2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. Category B: 5. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or	G. BASIC SALARY: Rs. 5,00,000/- per month H. PERQUISITES: Category A: 1. Medical Reimbursement for self and family as per the rules of the Company. 2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. Category B: 7. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or	I. BASIC SALARY: Rs. 5,00,000/- per month J. PERQUISITES: Category A: 1. Medical Reimbursement for self and family as per the rules of the Company. 2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. Category B: 9. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.

		Gratuity as per the rules of the Company. 4. Encashment of leave as per the rules of the Company. Category C: Car, telephone at residence and mobile phone for use on Company's business.	Gratuity as per the rules of the Company. 6. Encashment of leave as per the rules of the Company. Category C: Car, telephone at residence and mobile phone for use on Company's business.	Gratuity as per the rules of the Company. 8. Encashment of leave as per the rules of the Company. Category C: Car, telephone at residence and mobile phone for use on Company's business.	10. Encashment of leave as per the rules of the Company. Category C: Car, telephone at residence and mobile phone for use on Company's business.
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)	Compared to the remuneration with respect to industry, size of the company and profile of the position and person, the Board of Directors are of the view that the remuneration proposed is commensurate with his experience and ability	Compared to the remuneration with respect to industry, size of the company and profile of the position and person, the Board of Directors are of the view that the remuneration proposed is commensurate with his experience and ability	Compared to the remuneration with respect to industry, size of the company and profile of the position and person, the Board of Directors are of the view that the remuneration proposed is commensurate with his experience and ability	Compared to the remuneration with respect to industry, size of the company and profile of the position and person, the Board of Directors are of the view that the remuneration proposed is commensurate with his experience and ability
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	He is the promoter and Managing Director of the Company and holds 13,28,750 equity shares in the Company.	He is the promoter and Whole Time Director of the Company and holds 13,28,750 equity shares in the Company.	He is the promoter and Whole Time Director of the Company and holds 13,28,750 equity shares in the Company.	He is the promoter and Whole Time Director of the Company and holds 13,28,750 equity shares in the Company.

III Other Information:

1. Reason of Loss or inadequate profit:

The Company has been a consistent performer since its Incorporation. However, the profit margins may remain inadequate particularly for the purpose of paying Managerial Remuneration due to some geopolitical factors.

(2) Steps taken or proposed to be taken for improvement:

The company proposes to improve its productivity and profitability through higher capacity utilization, better utilization of available resources and diversifying the product basket with higher margins. The company proposes to add capacities in certain high value adding product categories and further proposes cost reduction initiatives in all in all its manufacturing processes wherever possible without compromising with quality of products / operating standards.

(3) Expected increase in productivity and profits in measurable terms:

An increase in Profitability of the Company is expected. The results of the above initiatives are expected to improve the Company's performance and profitability.

Details required under Section 102 of the Companies Act, 2013 in respect of the Directors proposed to be Appointed/re-appointed and their Brief Resume have been provided under the Explanatory Statements annexed to this Notice. The other Information/Disclosure in compliance with the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India has been provided herein below:

Name	**Rajiv Lakhotia**	**Radhe Shyam Daga**	**Manoj Kumar Karnani**	**Raj Kumar Agarwal**
DIN	02939190	07848061	08156230	09748957
Brief Resume	As detailed in Explanatory Statement above for Item 05 of the Notice.	As detailed in Explanatory Statement above for Item 06 of the Notice.	As detailed in Explanatory Statement above for Item 07 of the Notice.	As detailed in Explanatory Statement above for Item 08 of the Notice.
Category of Director	Managing Director	Whole Time Director	Whole Time Director	Whole Time Director
Date of Birth (Age in Years)	10-03-1981 (45)	12-06-1958 (68)	20-01-1975 (51)	11-04-1984 (42)
Date of Appointment on the Board	11-04-2023	11-04-2023	11-04-2023	11-04-2023
Qualification	Graduate	HSC	HSC	Graduate
Experience and Expertise	Rajiv Lakhotia, aged 45 years, is one of the Promoters & Managing Director of our Company. He attended University of Calcutta to	Radhe Shyam Daga, aged 68 years, is one of the Promoters and Whole-time Director of our Company. Mr. Daga is having	Manoj Kumar Karnani, aged 51 years, is a Promoter and Whole-time Director of our Company. He is working as	Raj Kumar Agarwal, 42 years old, serves as a Promoter and Whole-time Director for our company. He pursued his Bachelor's degree in Commerce at

	pursue a bachelor's degree in commerce. He is presently heading our Customer Development and Sales Department considering the changing need of the industry and has played a key role in the growth & development of our company	more than 20 years of experience in textile industry. He is presently supervising the day-to-day operations of our company.	an independent agent providing custom clearance consultancy to businesses engaged in import and export of goods. Being well versed with Custom laws and having more than 20 years of experience in import and export handling, he plays an instrumental role in smoothening the import & export functions of our company.	Capital University. With a profound understanding of the Chinese market, fluency in the Chinese language, and extensive knowledge of the local market in China, Mr. Agarwal dedicates the majority of his time in China. He currently oversees all Chinese procurement activities for the company, managing the sourcing of raw materials, machine parts, and finished and semi-finished goods.
Terms and conditions of appointment/ re-appointment along with details of Remuneration details (Including Sitting Fees & Commission) and last remuneration drawn	As detailed in Resolution and Explanatory Statement above for Item 05 of the Notice.	As detailed in Resolution and Explanatory Statement above for Item 06 of the Notice.	As detailed in Resolution and Explanatory Statement above for Item 07 of the Notice.	As detailed in Resolution and Explanatory Statement above for Item 08 of the Notice.
Chairmanship/Membership of Committees of the Company	-	CSR Committee	-	Audit Committee
Directorships held in other Companies	Paropkar Estate Private Limited	-	Nakoda Hair Accessories Private Limited	Skf Iron and Mining Private Limited
Relationships with Director, Manager and other Key Managerial Personnel of the Company	Not related to any Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Directors, Manager and other Key Managerial	Not related to any Directors, Manager and other Key Managerial	Not related to any Directors, Manager and other Key Managerial Personnel of the Company

		Personnel of the Company	Personnel of the Company	
Number of Shares held in the Company as on 31 March, 2026	12,50,000	12,50,000	12,50,000	12,50,000

September 8, 2025
Registered Office:
Shree Karni Fabcom Limited
Plot no -188, 189, 190, Block No - 314,
Rajhans Texpa NH-48,
Village- Baleshwar Taluka
Palsana Surat – 394317
Tel : +91 - 262 235 0900
Email : shreekarni@skflindia.com
Website: www.skflindia.com
CIN: L47820GJ2023PLC140106

By order of the Board
For Shree Karni Fabcom Limited

Dhiraj Ramkishor Vaishnav
Company Secretary & Compliance Officer
M. No. A62575

SKFL®

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF SHREE KARNI FABCOM LIMITED

REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **SHREE KARNI FABCOM LIMITED ("*the Company*")** which comprises the Balance Sheet as at 31st March, 2026 the Statement of Profit and Loss, and statement of cash flows for the year ended 31st March, 2026 and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and ***Profit***, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements

Emphasis Of Matter

(a) We draw attention towards Note 40 in the financial statements which states that the Company in the process of strategic restructuring of its Stitching Division to optimize operational capabilities. As on the balance sheet date, the transition is progressively underway, including the relocation of asset infrastructure and the orderly settlement of outstanding liabilities and any other pending transactions.

Key Audit matters

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

Key Audit Matters	Auditor's Response
Valuation of Inventories Refer to note 17 to the standalone financial statements. The Company is having Inventory of Rs. 6,737.85 lakhs as on 31 March 2026. As described in the accounting policies Note No 1(e) to the standalone financial statements, inventories are carried at the lower of cost and net realisable value. Inventory forms a significant part of the Company's assets, given the operational complexity, volume of transactions, and reliance on both physical records and inventory management systems, this area required particular audit attention to ensure accuracy and completeness of reporting.	Based on our procedures, we obtained audit evidence supporting the appropriateness of management's assumptions and judgments applied in determining inventory quantities and values by: Performed walkthroughs of the end-to-end inventory process to understand how stock is recorded, tracked, and reconciled in both physical and software systems Evaluated the effectiveness of controls over stock management and reporting at key locations. Conducted sample-based verification by comparing physical stock with inventory software and accounting records Verifying for a sample of individual products that costs have been correctly recorded. Reviewed management's explanations for identified variances and their ongoing efforts to strengthen reconciliation processes.
Related Party Transactions The Company enters into related party transactions as part of its normal business operations. Given their nature, ensuring transparency and appropriate disclosure was a key focus area. Evaluating the basis of management's assumptions and judgments regarding the nature, classification, and presentation of such transactions was critical.	Based on our work, we obtained assurance over the reasonableness of management's assumptions and judgments relating to the identification, classification, and disclosure of related party transactions through: Examined supporting documentation including board approvals, agreements, and related records. Reviewed the Company's process for identification, approval, and documentation of related party transactions. Assessed how management determined the terms of such transactions and evaluated whether they were appropriate and at arm's length. Verified that disclosures were complete and made in accordance with applicable financial reporting requirements.

RESPONSIBILITY OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.

g. With respect to the other matters to be included in the Auditor's Report under Section 197(16) of the Act In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

   i) The Company does not have any pending litigations which would impact its financial position.

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

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

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

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries; and

c) Based on such audit procedures as 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 (IV) (a) and (IV) (b) contain any material mis-statement.

v) Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended 31st March, 2026 which has a feature of recording audit trial (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 and the audit trail has been preserved by the Company as per statutory requirements for record retention.

vi) There was no dividend declared or paid during the year by the company.

***For* BAID AGARWAL SINGHI & CO.**
Chartered Accountants
Firm Registration No. 328671E

CA DHRUV NARAYAN AGARWAL
(Partner)
Membership No: 306940

Place: Kolkata
Dated: 21st Day of May,2026
UDIN: 26306940VKSRXP2235

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of **SHREE KARNI FABCOM LIMITED** for the year ended 31st March, 2026, we report that:

i. (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment

(b) According to the information and explanations given to us, the company has a regular programme of physical verification of its Property, Plant & Equipment by which Property, Plant & Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the programme, a portion of the fixed asset has been physically verified by the management during the year and no materials discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company the title deed of all the immovable properties disclosed in the Standalone Financial Statements are held in the name of the Company except for the following:

Description of property	Gross Carrying value	Title Deeds held in the name of Held in name of	Whether promoter, director , their relative or employee	Held since date	Reason for not being held in name of company
Plot 280 Block No 14,Rajahns Texpa	6.362	Modsingh Jawahsingh Rajput	No	04-08-2002	The land in question, though not yet formally conveyed through a registered sale deed, qualifies as an asset of the complainant's company on equitable and factual grounds. The company paid the entire sale consideration to the seller, evidenced by a detailed payment diary, and was given direct possession of the land in part-performance of the sale agreement under Section 53A of the Transfer of Property Act. The company has done construction, purchased registration fee and stamp paper, and initiated bank loan formalities for development of the property. Since possession, payment, and investment all vest with the company, the property is recognised as an asset of the company. The seller is holding only registered title pending execution of the final sale deed against which the company has filed a complaint with the concerned authorities.

(d) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued any of its property, plant and equipment or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property

Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii.

a. According to the information and explanations given to us and the records examined by us, the inventory has been physically verified at reasonable intervals by the management during the year. In our opinion the coverage and procedures of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

b. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of Current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company other than those as set out below:

Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason for Variance
Q1	Trade receivables	5,017.20	5,035.08	-17.88	Primarily due to non-availability of credit notes and debit notes at the time of submitting statement to the bank and also due to inclusion of certain costs forming part of the inventory.
	Trade Payable	2,700.00	2,725.06	-25.06	
	Stock	4,061.70	4,074.79	-13.09	
	Total Revenue	5,068.00	5,008.41	59.59	
Q2	Trade receivables	4,983.90	5,065.28	-81.38	
	Trade Payable	3,312.90	3,127.79	185.11	
	Stock	5,033.90	5,029.97	3.93	
	Total Revenue	10,708.60	10,709.00	-0.41	
Q3	Trade receivables	5,376.60	5,374.53	2.07	
	Trade Payable	3,765.00	3,759.38	5.62	
	Stock	5,655.90	5,663.18	-7.28	
	Total Revenue	15,782.10	15,782.14	-0.04	
Q4	Trade receivables	4,931.30	4,899.55	31.75	
	Trade Payable	2,282.30	2,120.05	162.25	
	Stock	6,406.80	6,737.52	-330.72	
	Total Revenue	20,568.60	20,533.48	35.12	

iii.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made Investments in 2 (two) Limited Liability Partnerships. Company has also provided corporate guarantee given during the previous year to ICICI Bank on behalf of its subsidiary i.e. IGK Technical Textiles LLP and Security of the Property of the company to ICICI Bank on behalf of loan taken for its subsidiary i.e. IGK Technical Textiles LLP. The company has not granted any loans or advances in the nature of loan to Companies, firms, Limited Liability Partnerships or any other parties during the year.

(b) According to the information and explanations provided by the Company, the company has not granted any loans or advances in the nature of loans during the year and hence the requirement related to reporting on the terms and conditions of such loans, their repayment schedules, and their impact on the company's financial position are not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of investments made and guarantees or securities granted by the Company. There are no loans or advances in nature of loan granted in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under (to the extent applicable) and the directives issued by the Reserve Bank of India.

vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the book of accounts, and records, the company has been generally regular in depositing undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State insurance, Income tax, Sales tax, Duty of customs, Duty of Excise, Value added Tax, cess and any other material statutory dues with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of the above were in arrears as at 31st March 2026 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no statutory dues as referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute.

viii. As per the information, explanations and records provided, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix.

(a) As per the information and records provided, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) As per the information and explanations provided to us, during the year the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the standalone 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 and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies

x.

(a) The company has not raised monies by way of initial public offer during the year and hence reporting under clause 3(x)(a) of the order is not applicable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of 3,15,000 share warrants, each convertible into one equity shares at an issue price of Rs. 765 per warrant, aggregating to Rs. 2,409.75 lakhs, and company has also allotted 1,56,750 of Rs 10 each and the requirements of section 42 and section 62 of the Act and rules framed thereunder have been complied with. Also, the funds were used for the purposes for which they were raised.

xi.

(a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi) (b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with the provisions of Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(a) In our opinion and based on our examination, the Company is having an internal audit system commensurate with the size and nature of its business in terms of the provision of section 138 of Companies Act, 2013.

(b) We have considered the internal audit reports of the company issued till date.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions during the year with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi.

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.

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 not been resignation of the statutory auditors during the year and accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (refer Note 42 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Based on information and explanations provided to us and our audit procedures, there are no unspent amounts towards Corporate Social Responsibility ("CSR") and hence, the requirements of Clause 3(xx) of the Order are not applicable to the company.

xxi. The reporting under Clause 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

***For* BAID AGARWAL SINGHI & CO.**
Chartered Accountants
Firm Registration No. 328671E

CA DHRUV NARAYAN AGARWAL
(Partner)
Membership No: 306940
Place: Kolkata
Dated: 21st Day of May,2026
UDIN: 26306940VKSRXP2235

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of SHREE KARNI FABCOM LIMITED for the year ended 31st March 2026, we report that:

We have audited the internal financial controls over financial reporting of **SHREE KARNI FABCOM LIMITED ("the Company")** as of 31st March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statement was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statement system and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statement included obtaining an understanding of internal financial controls with reference to standalone financial statement, 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 standalone financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statement and such internal financial controls with reference to standalone financial statement were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI

***For* BAID AGARWAL SINGHI & CO.**
Chartered Accountants
Firm Registration No. 328671E

CA DHRUV NARAYAN AGARWAL
(Partner)
Membership No: 306940
Place: Kolkata
Dated: 21st Day of May, 2026
UDIN: 26306940VKSRXP2235

NOTE 1 & 2: SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY INFORMATION

The Company was originally formed as a limited liability partnership under the name 'Shree Karni Fabcom LLP', bearing LLP identification number AAM-1759 pursuant to a certificate of incorporation dated March 7, 2018 issued by the Registrar of Companies, Gujarat at Ahmedabad. Subsequently, pursuant to a resolution passed in the meeting of the partners held on November 26, 2022, Shree Karni Fabcom LLP was converted into a private limited company under the name 'Shree Karni Fabcom Private Limited' and a certificate of incorporation dated April 11, 2023 was issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on October 3, 2023 and by the Shareholders at an extra-ordinary general meeting held on October 10, 2023 the Company was converted into a public limited company and consequently the name of the Company was changed to 'Shree Karni Fabcom Limited' and a fresh certificate of incorporation dated October 20, 2023 was issued by the Registrar of Companies, Gujarat at Ahmedabad .The Parent company is mainly engaged in trading and Manufacturing of technical textiles, knitted and coated fabrics.

2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

The financial statements has been prepared and presented under the accrual basis comply withthe mandatory Accounting Standards ("AS") specified under section 133 of the Companies Act 2013, read with Rule7 of the Companies (Accounts) Rules,2014 and the relevant provisions of the Companies Act 2013 ("the 2013 Act").

The Standalone Financial Statements has been prepared by the Management to comply in all material respects with the requirements of:
a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

The Financial statements are presented in Indian Rupee (Rs.) & all the amounts included in the financial statements have been rounded off to the nearest Lakhs upto two decimals, as required by General instructions for preparation of Financial Statements in Division I of Schedule III of the Companies Act, 2013, except number of shares, face value of shares, earning per shares, or wherever otherwise stated. Wherever the amount represented Rs '0.00' construes value less than Rupees Five Hundred.

b. USE OF ESTIMATES

The preparation of financial statements is in conformity with GAAP which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses for the year. Actual results could differ from this estimate. Difference between the actual result and estimates are recognized in the period in which result are known / materialized.

c. CLASSIFICATION OF ASSETS AND LIBAILITIES

The Revised Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Currentor Non-current.

(a) An asset shall be classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, normal operating cycle of the company;
- It is held primarily for the purpose of being traded;

- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

(b) All assets other than current assets shall be classified as non-current.

(c) A liability shall be classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the normal operating cycle of the company;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(c) All liabilities other than current liabilities shall be classified as non-current.

d. PROPERTY, PLANT & EQUIPMENT

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; (c) 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.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalized and disclosed separately under leasehold improvement.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal and retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset is recognized in Statement of profit and loss.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other subsequent cost are charged to Statement of profit and loss at the time of incurrence.

Depreciation

Depreciation on PPE is provided on the Straight Line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 ('Schedule II') on a pro-rata basis from the date the asset is ready to put to use.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Amortization of Intangible Assets

The intangible assets having a definite life are amortized over the life of the asset.

e. INVENTORIES

Inventories of finished goods are valued at cost or net realizable value ('NRV'), whichever is lower. Costs of inventories has been determined using weighted average cost method and comprise all costs of purchase after deducting non-refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Provision is made for items which are not likely to be consumed and other anticipated losses wherever considered necessary. The comparison of cost and NRV for traded goods is made on at item Company level basis at each reporting date. However, there is no inventory of any products.

f. LEASES

Lease payments in respect of assets taken on operating lease are charged to the Statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases, if any. However, there is no lease payments during the period under consideration.

g. BORROWING COSTS

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalization of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are charged to statement of profit and loss as and when incurred.

h. IMPAIRMENT OF ASSETS

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

i. PROVISIONS AND CONTINGENT LIABILITIES AND ASSETS

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past events, 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.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

j. EMPLOYEE BENEFITS

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post Retirement Employee Benefits

Gratuity

(a) Defined contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans is recognized in the Standalone Statement of Profit and Loss in the financial year to which they relate.

(b) Defined benefit plans

Defined Benefit plans are the plans for which the benefits has been defined for the eligible employees which are meant to be paid to then at the time of retirement.

k. INCOME TAXES

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period. It is determined as the amount of tax payable under the provisions of Income Tax Act, 1961, in respect of taxable income for the year.

Deferred Tax

Deferred income taxes reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier year. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Current Tax for the year

Current tax for the year is recognized as an expense in the Statement of Profit and Loss. However, if it relates to an item that is recognized directly in the financial statements outside the Statement of Profit and Loss (such as adjustments on account of capital receipts), the tax effect is also recognized outside the Statement of Profit and Loss, in accordance with the treatment of the underlying item.

l. FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

On initial recognition, all foreign currency transactions are converted and recorded at exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

m. REVENUE RECOGNITION

Our Company's revenue is primarily generated from sale of Technical Textile used by the luggage, medical arch support, chairs, shoes and apparels industry. Income is recognized on accrual basis based on the regular invoices raised on the clients as per the terms of Agreements or other arrangements as the case may be. Revenue is measured at fair value of consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Other Income
Other Income is accounted for on accrual basis except where the receipt income is uncertain.

n. INVESTMENTS

Long-term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

Current Investments are carried at lower of cost or market value. The cost of securities sold is determined on the first-in-first-out (FIFO) method.

o. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity share holder, by weighted average number of equity share outstanding during the period.
Diluted earnings per share is computed by dividing the net profit or loss attributable to equity share holder by weighted average number of equity and equivalent diluted equity share outstanding during the year except where the result would be antidilutive.

p. CASH AND CASH EQUIVALENTS

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

q. CWIP

CWIP includes costs directly attributable to projects in progress, such as the building currently under development. Direct costs comprise materials, labor, equipment, subcontractors, and other resources used specifically for the project. Indirect costs, including administrative expenses, insurance, and supervision, are also allocated as appropriate. Materials inventory includes items purchased but not yet utilized, held in storage or on-site. Labor costs reflect both direct construction labor and supporting indirect labor associated with the project.

SHREE KARNI FABCOM LIMITED
CIN : L47820GJ2023PLC140106

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2026

(Rs. In lakhs)

	PARTICULARS	Note No.	As at March 31, 2026	As at 31st March, 2025
	EQUITY AND LIABILITIES			
1)	**Shareholder's Fund**			
	(a) Share Capital	3	722.88	707.20
	(b) Reserves and Surplus	4	10,297.74	7,590.72
	(c) Money Received Against Share Warrant	5	602.44	301.22
	Total Shareholder's Fund		11,623.06	8,599.14
2)	**Share Application Money Pending Allotment**	6	-	697.68
	Liabilities			
3)	**Non-Current Liabilties**			
	(a) Long Term Borrowings	7	1,174.98	518.45
	(b) Deferred Tax liabilities (Net)	8	216.59	104.19
	(c) Other Long Term Liabilities	9	69.14	21.08
	Total Non-Current Liabilities		1,460.71	643.73
4)	**Current Liabilities**			
	(a) Short Term Borrowings	10	6,239.53	6,552.31
	(b) Trade Payables	11		
	i)Total outstanding dues of micro enterprises and small enterprises and,		76.64	189.97
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,581.50	2,799.77
	(c) Other Current Liabilities	12	325.97	146.89
	(d) Short term provisions	13	121.91	139.73
	Total Current Liabilities		9,345.55	9,828.66
	Total Equity And Liabilities		**22,429.32**	**19,769.21**
	ASSETS			
1)	**Non-Current Assets**			
a)	**Property, Plant & Equipment**	14		
	i) Tangible Asset		7,942.69	2,957.00
	ii) Intangible Asset		281.75	387.21
	iii) Capital Work in Progress		-	3,072.09
b)	**Non Current Investments**	15	673.88	654.00
c)	**Other Non Current Assets**	16	479.97	540.75
	Total Non-Current Assets		9,378.29	7,611.06
2)	**Current Assets**			
	(a) Inventories	17	6,737.85	4,688.35
	(b) Trade receivables	18	5,029.61	5,143.47
	(c) Cash and Cash Equivalents	19	7.35	1,006.38
	(d) Other Current Assets	20	1,276.22	1,319.95
			13,051.03	12,158.15
	Assets classified as held for sale			
	Total Assets		**22,429.32**	**19,769.21**
	Significant accounting policies	1&2		

The accompanying notes form an integral part of the standalone financial statements
As per our annexed report of even date

For Baid Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

For and on behalf of the Board
SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

(Dhruv Narayan Agarwal)
Partner
Membership No.: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940VKSRXP2235

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

SHREE KARNI FABCOM LIMITED
CIN : L47820GJ2023PLC140106

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in Lakhs except EPS)

	PARTICULARS	NOTE NO.	For the year ended 31st March 2026	For the year ended 31st March 2025
	Revenue			
I	Revenue from operations	21	20,295.33	16,571.03
II	Other Income	22	230.30	177.90
III	**Total Income (I+II)**		**20,525.63**	**16,748.93**
IV	**Expenses**			
	Cost of materials consumed	23	15,694.20	13,986.90
	Changes in inventories of Finished and Semi Finished Goods	24	(283.10)	(1,017.10)
	Employee benefits expense	25	960.58	573.98
	Finance costs	26	323.14	218.27
	Depreciation and amortisation expense	27	498.88	251.62
	Other expenses	28	1,266.96	686.02
	Total Expenses		**18,460.66**	**14,699.67**
V	**Profit / Loss before exceptional item and tax (III-IV)**		2,064.97	2,049.26
VI	**Exceptional Item**			-
VII	**Profit / (Loss) before Tax (V-VI)**		2,064.97	2,049.26
VIII	**Income tax expense**			
	- Current tax		417.13	470.79
	- Deferred tax		112.40	48.84
	- Income tax for earlier years		11.89	18.98
IX	**Profit/ (loss) for the year from continuing operations (VII-VIII)**		1,523.55	1,510.67
	Earnings Per Equity Share (Basic)	32	21.08	21.36
	Earnings Per Equity Share (Diluted)		21.08	21.36
	Significant accounting policies	1&2		

The accompanying notes form an integral part of the standalone financial statements
As per our annexed report of even date

For Baid, Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

For and on behalf of the Board
SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

(Dhruv Narayan Agarwal)
Partner
Membership No: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940VKSRXP2235

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

SHREE KARNI FABCOM LIMITED
CIN : L47820GJ2023PLC140106
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. In lakhs)

PARTICULARS	Year ended 31st March, 2026	Year ended 31st March, 2025
A. CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit/(Loss) before Tax and Extraordinary Items	**2,064.97**	**2,049.26**
Adjustments for:		
Depreciation and amortisation expense	498.88	251.62
Impairment Loss	6.83	-
Finance Costs	323.14	218.27
Profit on Sale of Capital Assets	(0.85)	-
Loss on Sale of Assets	5.50	-
Interest Income	(14.55)	(13.61)
Income on Investment	(32.58)	-
Provision for Gratuity	48.27	10.71
Operating Profit/(Loss) before Working Capital Changes	**2,899.61**	**2,516.24**
Adjustments for:		
Decrease/(Increase) in Inventories	(2,049.50)	(1,504.55)
Decrease/(Increase) in Other Current Assets	43.72	(1,126.93)
Decrease/(Increase) in Trade and Other Receivables	113.86	(1,954.05)
Decrease/(Increase) in Other Non Current Assets	60.77	(71.87)
Increase/(Decrease) in Trade and Other Payables	(331.59)	2,045.65
Increase/(Decrease) in Other Current Liabilities	179.08	47.33
Cash Generated from Operations	**915.96**	**(48.17)**
Adjustment for:		
Income taxes paid (net)	(447.04)	(480.99)
NET CASH GENERATED/(USED IN) OPERATING ACTIVITIES (A)	**468.92**	**(529.16)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(2,492.68)	(3,885.52)
Sale of Property, Plant & Equipment	174.20	-
Purchase of Investments	(19.88)	(280.44)
Sale of Investments	-	-
Interest Income	14.55	13.61
Income From Investment	32.58	-
NET CASH GENERATED /(USED IN) INVESTING ACTIVITIES (B)	**(2,291.23)**	**(4,152.35)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Changes in Partner's Capital	-	167.85
Issue of Share Capital	15.68	-
Money Received against Share Warrant	301.22	301.22
Share application money pending allotment	(697.68)	697.68
Securities Premium on issue of Share Capital	1,183.46	-
Finance Cost	(323.14)	(218.27)
Increase/ (Decrease) in Long Term Borrowings	656.53	(235.91)
Increase/ (Decrease) in Short Term Borrowings	(312.78)	2,341.15
NET CASH GENERATED /(USED IN) FINANCING ACTIVITIES (C)	**823.29**	**3,053.72**
NET INCREASE/(DECREASE) IN CASH DURING THE YEAR (A+B+C)	**(999.03)**	**(1,627.79)**
Cash & Cash Equivalents at the beginning of the year	1,006.39	2,634.18
Cash & Cash Equivalents at the end of the year	**7.35**	**1,006.39**
Cash & Cash Equivalents Comprises:		
Cash and stamps on hand	7.29	3.40
Balance with banks	0.06	1,002.98
Total	**7.35**	**1,006.39**

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard- 3 on 'Cash Flow Statement' notified by the Companies (Accounting Standards) Rules, 2006.
2. Cash and cash equivalents consist of cash and bank balances as indicated in Note - 19 to the Financial Statements.
3. Figures in brackets indicate cash outflows.

In terms of our report of even date

For Baid, Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

For and on behalf of the Board
SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

(Dhruv Narayan Agarwal)
Partner
Membership No: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940VKSRXP2235

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

3 SHARE CAPITAL	As at March 31, 2026	As at March 31, 2025
a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period :		
Authorised Share Capital :		
80,00,000 (P.Y. 80,00,000 Equity Shares of Rs.10/- each)	800.00	800.00
Issued, Subscribed & Fully Paid-up Share Capital :		
Paid Up Share Capital (70,72,000, P.Y. 70,72,000 Equity Shares of Rs 10/- eac	707.20	**707.20**
Add: Issue of equity shares (1,56,750 Equity Shares of Rs.10/- each)	15.68	-
Total (72,28,750 Equity Shares of Rs. 10/- each)	**722.88**	**707.20**

a. Pursuant to the resolution passed by the Board of Directors on January 18, 2025, the Company approved the issuance of equity shares on a preferential basis. The said issuance was subsequently approved by the shareholders at their meeting held on February 12, 2025, and the shares were allotted on April 2, 2025. The Company received in-principle approval from the National Stock Exchange of India Limited (NSE) for the proposed allotment on March 19, 2025.
The Company has approved the issue and allotment of 1,56,750 equity shares of face value ₹10 each at a price of ₹765 per share (including a premium of ₹755 per share) on a preferential basis. The total amount to be raised through this issue aggregates to ₹1,199.14 Lakhs including shrare premium amounting to ₹1,183.46 Lakhs.

b. Rights,preferences and restrictions attached to equity shares :
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 RESERVE AND SURPLUS	As at March 31, 2026	As at March 31, 2025
Securities Premium		
Beginning of the year	3,936.24	3,936.24
Add: Premium on Issue of Equity Shares	1,183.46	-
End of the year	**5,119.70**	**3,936.24**
Retained earnings		
Beginning of the year	3,654.49	1,976.00
Add: Transfer from Statement of Profit and Loss	1,523.55	1,510.64
Add: Partner's Profit Adjustment of previous years	-	167.85
End of the year	**5,178.04**	**3,654.49**
Total Reserves and Surplus	**10,297.74**	**7,590.73**

5 MONEY RECEIVED AGAINST SHARE WARRANT	As at March 31, 2026	As at March 31, 2025
Opening Balance	301.22	-
Add: Received During the year	301.22	301.22
Total Money Received Against Share Warrant	**602.44**	**301.22**

Pursuant to the resolution passed by the Board of Directors on January 18, 2025, the Company approved the issuance of share warrants convertible into equity shares on a preferential basis. The said issuance was subsequently approved by the shareholders at their meeting held on February 12, 2025. The Company received in-principle approval from the National Stock Exchange of India Limited (NSE) for the proposed issuance on March 19, 2025.
The Company has approved the allotment of 3,15,000 share warrants, each convertible into or exchangeable for one fully paid equity share of the Company of face value ₹10 each at a price of ₹765 per warrant (including a premium of ₹755 per warrant). The total amount to be raised through this issue aggregates to ₹2,409.75 Lakhs.
Till March 31, 2026, the Company has received ₹602.44 Lakhs towards the aforesaid preferential issue of share warrants. The equity shares underlying these warrants are yet to be allotted.

6 SHARE APPLICATION MONEY PENDING ALLOTMENT	As at March 31, 2026	As at March 31, 2025
Opening Balance	697.68	-
Add: Share application money received during the year	-	697.68
Less: Shares issued during the year	(697.68)	-
Total Share Application money pending allotment	**-**	**697.68**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

7 LONG TERM BORROWINGS#

		As at March 31, 2026	As at March 31, 2025
	Secured Loan, considered good		
a)	Term Loan from Bank	1,619.37	829.42
b)	Vechicle Loan	9.08	23.16
	Less: Current Maturity	(453.47)	(334.13)
	Total Long Term Borrowings	**1,174.98**	**518.45**

#Refer Note 10A for Security and Repayment terms

8 DEFERRED TAX LIABILITIES (NET)

	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Depreciation and Amortization Expenses	233.99	109.50
Deferred tax assets		
Provision for Gratuity	(17.40)	(5.31)
Deferred Tax Liabilities (Net)	**216.59**	**104.19**

9 OTHER LONG TERM LIABILITIES

	As at March 31, 2026	As at March 31, 2025
Provision For Grautity	69.14	21.08
Total Other Long Term Liabilities	**69.14**	**21.08**

10 SHORT TERM BORROWINGS#

	As at March 31, 2026	As at March 31, 2025
Secured Loan, considered good		
a.Cash Credit Accounts	4,009.74	3,839.42
b.Current Maturity of Long term borrowings	453.47	334.13
Unsecured Loan, considered good*		
a. Loan payable on demand	-	-
- Related Parties	1,776.32	2,378.76
Total Short Term Borrowings	**6,239.53**	**6,552.31**

* Unsecured loans includes the balance of partner's current capital account which is carried forward from the Limited Liability Partnership.
#Refer Note 10A for Security and Repayment terms

11 TRADE PAYABLES

		As at March 31, 2026	As at March 31, 2025
(a)	Total outstanding dues of micro enterprises and small enterprises	76.64	189.97
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	2,581.50	2,799.77
	Total Trade Payables	**2,658.14**	**2,989.74**

12 OTHER CURRENT LIABILITIES

	As at March 31, 2026	As at March 31, 2025
Liability For Expenses	175.78	94.89
Advance from customers	130.04	24.00
Statutory Dues Payable		
Professional Tax Payable	0.94	0.32
ESIC & PF Payable	4.00	3.06
Goods and Service Tax Payable	1.79	6.25
TDS & TCS Payable	13.42	18.37
Total Other Current Liabilities	**325.97**	**146.89**

13 SHORT TERM PROVISIONS

	As at March 31, 2026	As at March 31, 2025
Provision for Gratuity*	0.63	0.42
Income Tax Liabilities (Net of Advance tax)	121.28	139.30
Total Short Term Provisions	**121.91**	**139.72**

*Refer note 41

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2025
(Currency: Rs. In lakhs)

		As at March 31, 2026	As at March 31, 2025
16	**OTHER NON CURRENT ASSETS**		
	Capital Advance	209.93	251.43
	Security Deposits	55.19	88.55
	Fixed Deposits with Banks	214.85	200.77
	Total Other Non Current Assets	**479.97**	**540.75**

		As at March 31, 2026	As at March 31, 2025
17	**INVENTORIES**		
	(At lower of cost and net realisable value)		
	Raw Material	2,916.56	1,185.23
	Finished & Semi Finished Goods	3,786.22	3,503.12
	Goods in Transit	35.07	-
	Total Inventories	**6,737.85**	**4,688.35**

		As at March 31, 2026	As at March 31, 2025
18	**TRADE RECEIVABLES**		
	Trade receivables - unsecured, considered good (exceeding six months)		
	- Related parties	-	-
	- Others	432.78	860.86
	Trade receivables - unsecured, considered doubtful (exceeding six months)		
	- Related parties	-	-
	- Others	-	2.86
	Less: Provision for Doubtful Debts	-	(2.86)
		432.78	**860.87**
	Trade receivables - unsecured, considered good (less than six months)		
	- Related parties	12.55	3.64
	- Others	4,584.27	4,278.95
	Trade receivables - unsecured, considered doubtful (less than six months)	-	-
	- Related parties	-	-
	- Others	-	-
	Less: Provision for Doubtful Debts	-	-
		4,596.83	**4,282.59**
	Total Trade Receivables	**5,029.61**	**5,143.47**

		As at March 31, 2026	As at March 31, 2025
19	**CASH & CASH EQUIVALENTS**		
	Balance with banks		
	in current accounts	0.06	1,002.98
	Cash and stamps on hand	7.29	3.40
	Total Cash & Cash Equivalents	**7.35**	**1,006.38**

		As at March 31, 2026	As at March 31, 2025
20	**CURRENT ASSETS - OTHERS**		
	Advances Recoverable from		
	(Unsecured, considered good)		
	- Suppliers	482.04	312.69
	- Other advances	0.80	3.40
	Prepaid Receivables	21.07	14.70
	Interest Receivables	188.96	173.98
	Other Receivables	45.00	29.23
	Balances with statutory/government authorities	423.53	451.89
	Deferred Expenses		
	-Listing Expenses	33.80	59.13
	-Revenue Expenses*	81.02	274.93
	Total Other Current Assets	**1,276.22**	**1,319.95**

*Expenses pertaining to the Bag unit in Delhi and the Dyeing unit in Surat were deferred by the management during FY 2024-25, as the corresponding revenue had not accrued during that period. This treatment was adopted in line with the matching principle, ensuring that costs are recognised in the period in which the related income is generated, thereby reflecting a true and fair view of business profitability.

During FY 2025-26, pursuant to a strategic decision, the management has undertaken the restructuring of its stitching division. As a result, the future economic benefits associated with the previously deferred expenditure are no longer expected to accrue. Consequently, in accordance with the principle that expenses should be recognised in the period in which the related benefit ceases to exist, the said deferred expenditure has been fully charged off to the Statement of Profit and Loss.

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs in lakhs)

	For the year ended 31st March 2026	For the year ended 31st March 2025
21 REVENUE FROM OPERATIONS		
Other operating revenues		
Sale of Goods	17,442.82	15,033.20
Job Work	486.62	48.68
Export Sales	2,365.89	1,489.15
Total Revenue from operations	**20,295.33**	**16,571.03**

	For the year ended 31st March 2026	For the year ended 31st March 2025
22 OTHER INCOME		
Income From Investment	32.58	87.09
Profit on sale of Capital Asset	0.85	-
Foreign Exchange Gain	69.65	25.64
Interest on Fixed Deposit	14.55	13.61
Rental Income	4.10	3.00
Miscellaneous Income	0.04	-
Subsidy*	-	5.00
Duty Drawback	69.76	23.42
Rodtep	29.85	15.52
Discount Received	1.08	0.20
Prior Period Income	-	2.40
Interest on MSME	4.71	-
Insurance Claim	0.27	2.02
Bad Debt Recovered	2.86	-
Total other income	**230.30**	**177.90**

*Subsidy belongs to assistance in raising capital through SME Exchange under Atmanirbhar Gujarat-2022

	For the year ended 31st March 2026	For the year ended 31st March 2025
23 COST OF MATERIALS CONSUMED		
Opening Raw Material	1,185.23	697.79
Add: Purchases and Direct Expenses	17,460.60	14,474.34
Less: Closing Raw Material	2,951.63	1,185.23
Total Cost of Materials Consumed	**15,694.20**	**13,986.90**

	For the year ended 31st March 2026	For the year ended 31st March 2025
24 CHANGES IN INVENTORIES OF FINISHED AND SEMI FINISHED GOODS		
Opening Stock	3,503.12	2,486.02
Less: Closing Stock	3,786.22	3,503.12
Total (Increase)/Decrease in Inventories	**(283.10)**	**(1,017.10)**

	For the year ended 31st March 2026	For the year ended 31st March 2025
25 EMPLOYEE BENEFITS EXPENSE		
Salary, wages and other benefits	538.45	162.75
Staff Welfare Expenses	50.25	25.04
Director Remuneration	240.00	348.00
Gratuity Expenses	48.27	10.71
Wages	35.25	27.48
Bonus	48.36	-
Total Employee benefit expenses	**960.58**	**573.98**

*Staff Welfare Expenses includes PF & ESI

	For the year ended 31st March 2026	For the year ended 31st March 2025
26 FINANCE COSTS		
Interest On Cash Credit Facility	250.53	145.52
Interest on Loans*	32.42	51.51
Stamp Duty	34.69	12.14
Processing Charges	5.50	9.10
Total Finance cost	**323.14**	**218.27**

*Interest subsidy income amounting to Rs 29.91 lakhs for March'26 has been netted of with interest on loans on accrual basis.

	For the year ended 31st March 2026	For the year ended 31st March 2025
27 DEPRECIATION ON PROPERTY PLANT & EQUIPMENTS		
Tangible Assets	416.71	178.88
Intangible Assets	82.17	72.74
Total Depreciation	**498.88**	**251.62**

Note : Refer to Note No. 14

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March 2025
(Currency: Rs in lakhs)

28	OTHER EXPENSES	For the year ended 31st March 2026	For the year ended 31st March 2025
	Bank Charges	6.63	7.96
	Impairment Loss	6.83	-
	Amortisation of Deferred Expenses	193.91	-
	Transport Charges	345.96	242.58
	Audit Fees (Refer Note. 28.1)	6.25	6.50
	Travelling & Conveyance Expenses	49.52	42.04
	Courier Expense	13.08	9.12
	Discount & Commission Expenses	29.18	8.65
	Donation	4.53	4.82
	CSR Expenses*	28.72	39.67
	Electricity Expenses	2.19	7.92
	Insurance Expenses	33.00	12.63
	Legal and Consultancy Expenses	88.46	75.42
	Office Expenses	44.93	25.57
	Rent Expenses	49.86	4.42
	Repair And Maintenance	79.74	25.87
	Stationary & Printing Expenses	12.79	5.97
	Packing charges	33.81	32.31
	Rates and Taxes	0.89	4.80
	Interest / Penalty	0.82	13.91
	Water Treatment Expenses	30.93	9.58
	Issue & Listing Expenses	48.91	32.64
	Loss on Sale of Assets	5.50	-
	Prior Period Expense	-	15.40
	Selling & Distribution Expenses	90.95	26.09
	Miscellaneous Expenses	59.57	32.16
	Total Other expenses	**1,266.96**	**686.03**

*Refer note no. 33 for disclosure on CSR

28.1	Audit Fees		
	Statutory Audit Fees	6.00	6.22
	Fees for Taxation Matters	0.25	0.25
	Fees for Certification	-	0.03
		6.25	**6.50**

29 INCOME TAXES

Income tax related to items charged or credited directly to profit or loss during the year :

a)	**Statement of profit and loss**		
(i)	Current Income Tax	417.13	470.79
(ii)	Deferred Tax expense / (benefit)	112.40	48.84
(iii)	Income tax adjustment for earlier years	11.89	18.98
	Total (a+b)	**541.42**	**538.61**

The reconciliation of estimated income tax (arrived at by multiplying accounting profit with India's domestic tax rate) to income tax expense is as follows.

Profit / (Loss) before taxes	2,064.97	2,049.25
Enacted Income Tax rate in India	25.17%	25.17%
Income tax expense at tax rates applicable	519.71	515.76
Adjustments ;		
Tax effect of items that are deductible for tax purpose	256.40	108.83
Tax effect of items that are not deductible for tax purpose	153.82	63.87
Tax effect Income charged under special rates	-	-
Reversal of deferred tax liability	112.40	48.84
Income tax adjustment for earlier years	11.89	18.98
Other Adjustments		
Others	-	-
Income tax expense reported	**541.42**	**538.61**
Effective Income tax rate (%)	26.22	26.28

SHREE KARNI FABCOM LIMITED

Notes forming part of the Standalone Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

Note 3 (c)

c. Details of shareholders holding more than 5% shares in the Company :

Name of Shareholders	As at March 31, 2026			As at March 31, 2025		
	No. of Shares	% holding	% Change during the Period	No. of Shares	% holding	% Change during the Period
Manoj Kumar Karnani	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
Raj Kumar Agarwal	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
Rajiv Lakhotia	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
Radhe Shyam Daga	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
	50,00,000.00	**69.16%**		**50,00,000.00**	**70.72%**	**-**

d. Details of shareholding of Promoters

Name of the Promoters & Promoter Group	As at March 31, 2026			As at March 31, 2025		
	No of shares held	% of Holding	% Change during the Period	No. of Shares	% of Holding	% Change during the Period
Manoj Kumar Karnani	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
Raj Kumar Agarwal	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
Rajiv Lakhotia	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
Radhe Shyam Daga	12,50,000.00	17.29%	-0.39	12,50,000.00	17.68%	-
	50,00,000.00	**69.16%**	**-**	**50,00,000.00**	**70.72%**	**-**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs in lakhs)

Ageing for Trade Receivables (Refer note 18)

Particulars	Ageing For Trade Receivables Outstanding As At 31st March, 2026					
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed trade receivables- considered good	4,596.83	271.90	70.60	89.25	1.03	5,029.61
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables- considered doubtful	-	-	-	-	-	-

Ageing for Trade Receivables (Refer note 18)

Particulars	Ageing For Trade Receivables Outstanding As At 31st March, 2025					
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed trade receivables- considered good	4,282.59	627.16	207.96	25.73	-	5,143.44
Undisputed trade receivables- considered doubtful	-	-	2.86	-	-	2.86
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables- considered doubtful	-	-	-	-	-	-

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs in lakhs)

Ageing for Trade Payables (Refer note 11)

Particulars	Ageing For Trade Payables Outstanding As At 31st March,2026				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME*	76.64	-	-	-	76.64
Others	2,325.17	249.90	-	6.43	2,581.50
Disputed Dues- MSME*	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-

Particulars	Ageing For Trade Payables Outstanding As At 31st March, 2025				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME*	189.97	-	-	-	189.97
Others	2,793.34	-	6.43	-	2,799.77
Disputed Dues- MSME*	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Note:

The information regarding amounts due to creditors registered under the Micro, Small and Medium Enterprises Development Act, 2006, has been given to the extent available with the Company. The required disclosures of outstanding dues of micro, small & medium enterprises are as under:

	As at March 31, 2026	As at March 31, 2(
(a) Principal amount remaining unpaid as at 31st March	76.64	189.97
(b) Interest amount remaining unpaid as at 31st March	4.71	-
(c) Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	NIL	NIL
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act,	NIL	NIL
(e) Interest accrued and remaining unpaid as at 31st March	NIL	NIL
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	NIL	NIL

SHREE KARNI FABCOM LIMITED

Notes forming part of the Standalone Financial Statements as at 31st March, 2026

(Currency: Rs in lakhs)

Note 10(A) Loan Schedule as on 31st March, 2026

Sl No.	Name of the Lender	Rate of Interest	Nature of Loan	Amount as on 31.03.26	Repayment Term (including moratorium period)	Loan Financed	Description(including asset pledged)
1	Standard Chartered Bank CC A	10.50%	Cash Credit	616.79	On demand	1,200.00	Hypothecation of Stock 25% margin, Hypothecation of Receivables not more than 90 Days with 50% margin Charge on various residential and commercial properties, as well as Industrial Property. Ad Hoc Limit of 1.25 cr was availed during the current Financial Year.
2	Kotak Mahimdra Bank	9.23%	Vehicle Loan	9.08	36 Months	25.00	Auto Loan
3	SCB ECL TL - 005318764	9.50%	Term Loan	28.17	47 Months	78.00	Exclusive Second hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as Industrial Property.
4	SCB TL - IF005207137	10.06%	Term Loan	-	46 Months	147.15	Exclusive First hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as Industrial Property.
5	SCB TL - IF005368653	10.43%	Term Loan	239.63	64 Months	800.00	
6	SIDBI LOAN	9.05%	Term Loan	101.18	78 Months	296.00	All the movable properties of the Borrower pertaining to the project of the Borrower as described in this agreement and situated at Block no.314, Plot No. 193, 194 & 195, Rajhans Texpa, NH-8, Village- Baleshvar, Palsana, Surat, Gujarat-394317, India', including, but not limiting to, its movable, plant, machinery, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures, and all other movable, both present and future (save and except book debts)
7	SIDBI LOAN	9.20%	Term Loan	67.20	54 months	140.00	Hypothecation of movable properties situated at various Industrial Plots
8	SIDBI LOAN	8.40%	Term Loan	73.19	60 Months	104.01	Hypothecation of movable properties situated at various Industrial Plots
9	ICICI Bank-4826 ZESTO (Solar	8.00%	Term Loan	60.00	84 Months	60.00	
10	ICICI Bank-9776 ZESTO (Solar	8.00%	Term Loan	250.00	84 Months	250.00	Hypothecation of Immovale Fixed Assets situated at Sub-Plot No. 1, (as per site Plot No. 8),, Rajhans Zesto, Phase 2,, Vesma, Jalalpore, Navsari, Navsari, Gujrat, India, 396445 including all Current Assets and Movable Fixed Assets of the Borrowee.
11	ICICI Bank ZESTO 199	8.00%	Term Loan	350.00	84 Months	350.00	
12	ICICI Bank ZESTO 458	8.00%	Term Loan	350.00	84 Months	350.00	
13	ICICI Bank ZESTO 549	8.00%	Term Loan	100.00	84 Months	100.00	
14	ICICI Bank CC	8.00%	Cash Credit	3,392.94	On demand	3,500.00	Hopthecation of Stock and Mortgage of Plot No. 8, Rajhans Zesto, Phase-II, Jalalpore Navsari
15	Manoj Kumar Karnani	0.00%	Unsecured Loan	383.81	On demand	536.49	NA
16	Radheshyam Daga	0.00%	Unsecured Loan	610.34	On demand	771.05	NA
17	Rajiv Lakhotia	0.00%	Unsecured Loan	768.95	On demand	927.51	NA
18	Raj Kumar Agarwal	0.00%	Unsecured Loan	13.23	On demand	165.40	NA
	TOTAL			**7,414.51**			

SHREE KARNI FABCOM LIMITED

Notes forming part of the Standalone Financial Statements as at 31st March, 2026

(Currency: Rs in lakhs)

Note 10(A) Loan Schedule as on 31st March, 2025

Sl No.	Name of the Lender	Rate Of Interest	Nature of Loan	Amount as on 31.03.25	Repayment Term(including moratorium period	Loan Financed (Rs. In Lakhs)	Description(including asset pledged)
1	Standard Chartered Bank CC A	10.50%	Cash Credit	1,186.39	On demand	1,200.00	Hypothecation of Stock 25% margin, Hypothecation of Receivables not more than 90 Days with 50% margin Charge on various residential and commercial properties, as well as Industrial Property. Ad Hoc Limit of 1.25 cr was availed during the current Financial Year.
2	HDFC Bank LTD	7.50%	Vehicle Loan	2.79	37 Months	23.33	Light Commercial Vehicle Loan
3	HDFC Bank LTD Car Loan	8.30%	Vehicle Loan	3.00	39 Months	15.06	Auto Loan
4	Kotak Mahimdra Bank	9.23%	Vehicle Loan	17.37	36 Months	25.00	Auto Loan
5	SCB ECL TL - 005318764	9.50%	Term Loan	54.16	47 Months	78.00	Exclusive Second hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as
6	SCB TL - IF005207137	10.06%	Term Loan	30.66	46 Months	147.16	Exclusive First hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as
7	SCB TL - IF005368653	10.43%	Term Loan	399.39	64 Months	800.00	Industrial Property.
8	SIDBI LOAN	9.10%	Term Loan	150.50	78 Months	296.00	All the movable properties of the Borrower pertaining to the project of the Borrower as described in this agreement and situated at Block no.314, Plot No. 193, 194 & 195, Rajhans Texpa, NH-8, Village- Baleshvar, Palsana, Surat, Gujarat-394317, India', including, but not limiting to, its movable, plant, machinery, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures, and all other movable, both present and future (save and except book debts)
9	SIDBI LOAN	8.85%	Term Loan	98.40	54 months	140.00	Hypothecation of movable properties situated at various Industrial Plots
10	SIDBI LOAN	8.40%	Term Loan	96.30	60 Months	104.01	Hypothecation of movable properties situated at various Industrial Plots
11	ICICI Bank CC	9.00%	Cash Credit	2,453.04	On demand	2,500.00	Hopthecation of Stock and Mortgage of Plot No. 8, Rajhans Zesto, Phase-II, Jalalpore Navsari
12	ICICI Bank Ad HOC	11.00%	Temporary Overdraft	200.00	30 Days	200.00	NA
13	Yes Bank	8.75%	Vendor Bill Discounting		12 months	1,000.00	Contingent upon default by the customer i.e. VIP Industries Limited
14	Manoj Kumar Karnani	0.00%	Unsecured Loan	534.42	On demand	536.49	NA
15	Radheshyam Daga	0.00%	Unsecured Loan	760.95	On demand	771.05	NA
16	Rajiv Lakhotia	0.00%	Unsecured Loan	919.56	On demand	927.51	NA
17	Raj Kumar Agarwal	0.00%	Unsecured Loan	163.84	On Demand	165.40	NA
	TOTAL			**7,070.77**			

(Currency: Rs. In lakhs)

14 PROPERTY, PLANT AND EQUIPMENTS (Continued)

Particulars	Gross Block Determination				Depreciation				Impairment	Net Block	
	As at 01.04.2025	Additions during the year	Deduction during the year	As at 31.03.2026	As at 01.04.2025	Additions during the year	Deduction during the year	As at 31.03.2026		As at March 31, 2026	As at March 31, 2025
Tangible Asset											
Plant & machinery	2,316.71	1,489.12	150.81	3,655.01	419.98	220.56	8.28	632.27	4.35	3,018.39	1,896.72
					-						-
Computer & Peripherals	33.53	22.58	0.43	55.67	20.70	10.11	0.24	30.58	-	25.09	12.82
					-						-
Motor Vehicles	117.51	-	-	117.51	33.01	18.43	-	51.44	-	66.08	84.51
					-						-
Furniture & Fittings	90.93	101.65	4.19	188.39	14.24	14.93	0.28	28.88	2.03	157.48	76.69
					-						-
Office equipment	162.15	85.86	0.56	247.45	62.08	40.64	0.09	102.63	0.45	144.37	100.07
					-						-
Plot(non depreciable)	526.52	0.72	85.31	441.93	-		-	-	-	441.93	526.52
					-						-
Building on Plot	274.14	3,939.99	0.38	4,213.74	12.35	112.04	-	124.39	-	4,089.35	261.79
Total	**3,521.48**	**5,639.91**	**241.69**	**8,919.71**	**562.36**	**416.71**	**8.89**	**970.19**	**6.83**	**7,942.69**	**2,959.12**
Total (Previous Year)	**2,812.17**	**707.19**	**-**	**3,521.48**	**383.48**	**178.88**	**-**	**562.36**	**-**	**2,959.12**	**2,428.69**

Particulars	As at 01.04.2025	Additions during the year	Deduction during the year	As at 31.03.2026	As at 01.04.2025	Additions during the year	Deduction during the year	As at 31.03.2026	Impairment	As at March 31, 2026	As at March 31, 2025
Intangible Asset											
Water Treatment Right	466.00	6.17	31.00	441.17	85.04	81.70	-	166.74	-	274.44	380.96
Software	4.87	4.00	0.35	8.52	0.74	0.47	-	1.20	-	7.31	4.13
Other Intangible Assets				-				-	-		
Total	**470.87**	**10.17**	**31.35**	**449.69**	**85.77**	**82.17**	**-**	**167.94**		**281.75**	**385.09**
Total (Previous Year)	**35.52**	**437.47**	**-**	**470.87**	**13.03**	**72.74**	**-**	**85.77**	**-**	**385.09**	**22.49**

Note:

i) Title Deeds of Immovable Property not held in the Name of Company:

Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company
Plot 280 admeasuring 162.13 sq.vaar namely 135.56 sq,mt located in Surat District, Palsana Sub District,Village Baleshwar	6.36	Modsingh Jawahsingh Rajput	No	04-08-2022	The land in question, though not yet formally conveyed through a registered sale deed, qualifies as an asset of the complainant's company on equitable and factual grounds. The company paid the entire sale consideration to the sellor, evidenced by a detailed payment diary, and was given direct possession of the land in part-performance of the sale agreement under Section 53A of the Transfer of Property Act. The company has done construction, purchased registration fee and stamp paper, and initiated bank loan formalities for development of the property. Since possession, payment, and investment all vest with the company, the property is recognised as an asset of the company. The sellor is holding only registered title pending execution of the final sale deed against the company has filed a complaint with the concerned authorities.
Building on plot 280	79.91				

ii) Benami Property :

There is no proceeding initiated or pending against the company for holding any benami property under Benami Transaction (Prohibition) Act 1988.

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Note 14 : Capital Work in Progress (Continued)

Schedule for the year ended March 31, 2026

Description	As at 31-03-2025	Addition during the period	Sales/Capitalised	As at 31-03-2026
Capital Work-in-Progress	3,072.09	-	3,072.09	-
Total	**3,072.09**	**-**	**3,072.09**	**-**

Capital work-in-progress Ageing

Ageing for capital work-in-progress as at March 31, 2026 is as follows:

Capital work-in-progress

Projects in progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2years	2-3years	More than 3 years	
	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan. Further there are no projects which are temporarily suspended.

Note:

i) There are no intangible assets which are under development as at March 31, 2026

Schedule for the year ended March 31, 2025

Description	As at 31-03-2024	Addition during the period	Sales/Capitalised	As at 31-03-2025
Capital Work-in-Progress	331.23	2,740.86	-	3,072.09
Total	**331.23**	**2,740.86**	**-**	**3,072.09**

A. Capital Work In Progress Ageing

Ageing for capital work-in-progress as at March 31, 2025 is as follows:

Capital work-in-progress

Projects in progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2years	2-3years	More than 3 years	
	2,740.86	331.23	-	-	3,072.09
	2,740.86	**331.23**	**-**	**-**	**3,072.09**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan. Further there are no projects which are temporarily suspended.

SHREE KARNI FABCOM LIMITED

Notes forming part of the Standalone Financial Statements as at 31st March, 2026

(Currency: Rs in lakhs)

Note "15" - Investment		
Particulars	**As at March 31, 2026**	**As at March 31, 2025**
	Rs. In lakhs	**Rs. In lakhs**
Unquoted Investments, Considered Good		
Venture Capital and Angel Funds		
Artha Venture	100.82	100.82
Artha Select Fund	30.00	20.00
Artha Venture Fund I	72.58	74.42
LV Angel Fund Flox F1	5.00	5.00
LV Angel Fund kaching Ii	4.00	4.00
LV Angel Fund Glampusa P I	4.00	4.00
INVSTT Seeders Bima Plan- I	10.24	10.24
Total	**226.64**	**218.48**
Investment in Subsidiary LLP		
IGK Technical Textiles LLP	362.30	350.97
Investment in Associate LLP		
Textron Fabtech LLP	84.94	84.55
Total	**673.88**	**654.00**

Aggregate amount of quoted investments and market value thereof	**-**	**-**
Aggregate amount of unquoted investments	**673.88**	**654.00**
Aggregate provision for diminution in value of investments	**-**	**-**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

		As at March 31, 2026	As at March 31, 2025
30	**Contingent Liabilities and Capital commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)*	223.11	233.11
	Other commitments relating to settlement of litigation disputes	-	-

***The Comapnay has given capital Commitment in form of investment to certain funds.**

31 **Certain trade receivables, loans & advances and creditors are subject to confirmation. In the opinion of the management, the value of trade receivables and loans & advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.**

32 **Earnings per share (EPS) as per AS 20**

	As at March 31, 2026	As at March 31, 2025
Calculation of weighted average number of equity shares of Rs 10 each fully paid up:		
Number of equity shares at the beginning of the year	70,72,000	70,72,000
Total number of equity shares outstanding at the end of the year-A	72,28,750	70,72,000
Weighted average number of equity shares outstanding during the year –B	72,28,750	70,72,000
Net profit attributable to equity shareholders for calculation of basic EPS – C(Rs. In Lakhs)	1,523.55	1,510.67
Basic and Diluted EPS (Rs.) (C/B)(Based on weighted average number of shares)	21.08	21.36
Basic and Diluted EPS (Rs.) (C/A)(Based on shares at the end of year)	21.08	21.36

Note - The Company has considered the impact of all potential equity shares while computing Diluted Earnings Per Share in accordance with the applicable accounting standards. However, the effect of such potential equity shares is anti-dilutive and therefore has been ignored in the computation of Diluted EPS. Consequently, the Diluted Earnings Per Share is the same as the Basic Earnings Per Share for the year.

33 **Disclosure on Corporate Social Responsibility Expenses**

S.No.	Particulars	As at March 31, 2026	As at March 31, 2025
i	Gross amount required to be spent by the Company during the year in pursuance to the provisions of Section 135 of the Companies Act, 2013 and rules made there under :	28.65	39.67
ii	Amount spent for the financial year	28.72	39.67
iii	Excess amount spent for the financial year [available for set off in succeeding financial years]	-0.07	0.00

Description of Nature of Activities
1 Promoting Children Education
2 Promoting Health Care
3 Setting Up Homes for Orphans
4 Animal Welfare
5 Eradicating poverty, huger and malnutrition, promoting health care which includes sanitation and preventive health care for the promotion of sanitation and making available safe drinking water

34 **Contingencies and Events occurring after the Balance Sheet Date**

There were no events which occurred after the Balance Sheet date up to the date of approval of financial statements which required any adjustments/disclosure in the financial

35 **Foreign currency transactions**

The company has made foreign currency transaction during the period under consideration.

S. No.	Currency	Particulars	-		(Audited)	
		Nature of Transactions	**Amount**	**Amount(Rs. In Lakhs)**	**Amount**	**Amount(Rs. In Lakhs)**
1	USD	Import of Goods	32,44,670.70	2,895.10	15,17,353.35	1,297.26
2	USD	Import of Machinery	-	-	1,00,400.00	86.95
3	USD	Export of Goods	27,28,344.27	2,365.89	17,25,991.00	1,489.15
4	USD	Travelling & Lodging	150.00	0.14	-	-
5	IDR		49,000.00	0.27	-	-
6	MYR		350.00	0.08	-	-
7	THB		700.00	0.02	-	-
Grand Total			**60,23,214.97**	**5,261.50**	**33,43,744.35**	**2,873.36**

Note : The foreign Currency amount are in absolute figures.

36 **Segment Information**

The company operates in a single reportable primary segment (Business segment) i.e. Trading and Manufacturing of technical textiles, knitted and coated fabrics.

No other operating segments have been aggregated to form the above reportable operating segments as per the criteria specified in the AS-17.

Business Segment wise / Geographical Segment wise revenue/results/assets/liabilities
Since there is Single Reportable Operating Segment hence disclosure of Operating Segment wise Assets, Liabilities, Revenue and Results are not applicable.

37 **Related party transactions**

a) Key management personnel ('KMP')

1.Manoj Kumar Karnani	***Whole Time Director***
2. Radhe Shyam Daga	***Whole Time Director***
3. Raj Kumar Agarwal	***Whole Time Director***
4. Rajiv Lakhotia	***Managing Director***
5. Arbind Kumar Lahoty	***CFO***
6. Dhiraj Ramkishor Vaishnav	***Company Secretary***
7. Jyoti Chitralingia*	***Company Secretary***

Jyoti Chitralingia ceases to be Company Secretary w.e.f., May 29th, 2024.

b) Subsidiary, Joint Venture & Associates

1. IGK Technical Textiles LLP	***Subsidiary***
2. Textron Fabtech LLP	***Associate***

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

c) Entities in which KMP and their relatives can exercise significant influence

Name of the KMP*	Entities in which KMP exercise significant influence
1. Manoj Kumar Karnani	***a. IGK Technical Textiles LLP*** ***b. International Trade Link*** ***c. Shreeji Fabrics-partnership*** ***d. Manoj Kumar Karnani HUF*** ***e. SKF Iron and Mining Private Limited*** ***f. Nakoda Hair Accessories Private Limited*** ***g. Lizo India Automobiles LLP*** ***h. Dp Global Impex Private Limited***
2. Radhe Shyam Daga	***a. Textron Fabtech LLP*** ***b. Aaradhaya Impex*** ***c. IGK Technical Textiles LLP*** ***d. Radhey Shyam Daga HUF***
3. Raj Kumar Agarwal	***a. IGK technical Textiles LLP*** ***b. Bright Future Exports*** ***c. Raj Kumar Agarwal HUF*** ***d. SKF Iron and Mining Private Limited*** ***e. Canzghou Sikai Steel Pipe Company Limited*** ***f. DP Global Trade***
4. Rajiv Lakhotia	***a. IGK technical Textiles LLP*** ***b.Textron Fabtech LLP*** ***c.Shree Karni Artha LLP*** ***d. Shreeji Fabrics*** ***e. Rajiv Lakhotia HUF*** ***f. SKF Iron and Mining Private Limited*** ***g.Shree Karni Artha LLP***

*KMP includes KMP and their relatives

d)Transactions with related parties during the year have been set out below
Remuneration
Key management personnel ('KMP')

S.No.	Name of KMP	As at March 31, 2026	As at March 31, 2025
- Directors			
1	Manoj Kumar Karnani	60.00	87.00
2	Radhe Shyam Daga	60.00	87.00
3	Raj Kumar Agarwal	60.00	87.00
4	Rajiv Lakhotia	60.00	87.00
		240.00	**348.00**
- Other KMPs			
5	Arbind Lahoty	6.00	6.00
6	Dhiraj Ramkishor Vaishnav	5.13	3.31
7	Jyoti Chitralingia	-	0.57
		11.13	**9.88**
	Grand Total	**251.13**	**357.88**

Purchases
Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	International Trade Link	-	54.31
2	Textron Fabtech LLP	2.27	450.49
3	IGK Technical Textiles LLP	1,546.04	2,545.73
4	Bright Future Exports	254.87	307.90
5	Shreeji Fabrics	100.54	12.19
6	Aaradhya Impex	1.90	1.35
	Total	**1,905.62**	**3,371.96**

Sales
Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	International Trade Link	-	-
2	Textron Fabtech LLP	-	104.31
3	IGK Technical Textiles LLP	47.86	-
4	Bright Future Exports	-	-
5	Shreeji Fabrics	5.95	-
6	Aaradhya Impex	23.76	52.86
	Total	**77.57**	**157.17**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Rental Income
Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Textron Fabtech LLP	-	3.54
2	IGK Technical Textiles LLP	0.05	-
Total		**0.05**	**3.54**

Loan Repaid
Key management personnel ('KMP') - -

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Manoj Kumar Karnani	150.61	-
2	Radheshyam Daga	150.61	-
3	Rajiv Lakhotia	150.61	-
4	Rajkumar Agarwal	150.61	-
Total		**602.44**	**-**

e) Balances at the year end

Loan Taken
Entities in which KMP can exercise significant influence - -

Loan Taken
Key managerial Personnel

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Manoj Kumar Karnani	383.81	534.42
2	Radheshyam Daga	610.34	760.95
3	Rajiv Lakhotia	768.95	919.56
4	Rajkumar Agarwal	13.23	163.84
Total		**1,776.32**	**2,378.76**

Trade Receivables
Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Textron Fabtech LLP	-	3.64
2	Shreeji Fabrics	6.56	-
3	Aaradhya Impex	6.00	-
Total		**12.55**	**3.64**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Trade Payables
Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	International Trade Link	-	54.31
2	Textron Fabtech LLP	183.20	186.99
3	IGK Technical Textiles LLP	15.98	284.89
4	Bright Future Exports	116.34	-
5	Shreeji Fabrics	44.60	7.96
Total		**360.11**	**534.16**

There are no investments by the company other than those stated under Note No. 15 in the financial statements.

f) Guarantee given	**As at March 31, 2026**	**As at March 31, 2025**
To secure obligation of other related parties	There is Corporate Guarantee given to ICICI bank on behalf of IGK Technical Textiles LLP.	There is Corporate Guarantee given to ICICI bank on behalf of IGK Technical Textiles LLP.

g) Security given

The Land bearing plot no- 281,282,288,284,285,286,283 of Shree Karni Fabcom Limited is mortgaged to ICICI bank on behalf of Loan taken for IGK Technical Textiles LLP.

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In the opinion of the Board of Directors and to the best of their knowledge and belief, the valuation on realisation of financial assets and other assets in the ordinary course of business would not be less than the amount at which they are stated in the financial statements.

38 Labour Codes — Compliance and Impact on Employee Benefits

On November 21, 2025, the Government of India notified four Labour Codes, effective immediately, consolidating and replacing 29 existing labour laws. The Company has completed its salary restructuring exercise in compliance with the requirements of the said Labour Codes.

Accordingly, the past service cost, if any arising therefrom has been recognised in the Statement of Profit and Loss for the year, in the manner prescribed under AS 15 and consistent with the guidance issued by the Institute of Chartered Accountants of India (ICAI).

The impact of the said restructuring on the Company's employee benefit obligations is immaterial.

39 Based on the recommendation of Nomination and Remuneration Committee the Board of Directors appointed Mr Pankaj Kumar Mohta as an Independent Director of the Company with effect from (08.09.2025) to fill the casual vacancy caused by the demise of Mr Sriyans Lunia (Independent Director). The Board is of the opinion that the Independent Director possesses the requisite expertise, integrity and experience relevant to the Company's business. Mr Pankaj Kumar Mohta is a Qualified Chartered Accountant and Company Secretary with over 12 years of comprehensive experience in Company Audit, Corporate Laws, Direct Taxes, GST matters, Outsourced Accounting & Financial Statements and Regulatory Compliances with proven track record in delivering quality professional services across diverse industry sectors with strong expertise in statutory compliance and tax.

40 The Company is in the process of strategic restructuring of its Stitching Division to optimize operational capabilities. As on the balance sheet date, the transition is progressively underway, including the relocation of asset infrastructure and the orderly settlement of outstanding liabilities and any other pending transactions.

SHREE KARNI FABCOM LIMITED

Notes forming part of the Standalone Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

41. Gratuity

Valuation Results	**Amount**
Discontinuance Liability	80.91
Defined Benefit Obligation	69.78
Funding Status	Unfunded
Fund Balance	-
Current Liability	0.63
Non-Current Liability	69.14
VALUATION ASSUMPTIONS	
1. Demographic Assumptions	
Mortality & Disability:	In order to consider the case where termination of the employment of any employee is due to death or permanent disablement, we have used mortality rates as given under Indian Assured Lives Mortality 2012-14 (Urban). The rates are assumed to include permanent disablement.
Extract of Mortality Rates(Indian Assured Lives Mortality 2012-14 (Urban)): Age Rate	
18	0.000675
25	0.000941
35	0.001253
45	0.002688
55	0.006576
65	0.013526

Summary and Comparison of Valuation Assumptions		
Date of Valuation	**31-03-2026**	**31-03-2025**
Demographic Assumptions		
Mortality Rate:	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement Age:	58 Years	58 Years
Attrition Rate:	6.00% p.a. for all service groups.	6.00% p.a. for all service groups.
Financial Assumptions		
Salary Escalation Rate:	8.00% p.a.	8.00% p.a.
Discount Rate:	7.36% p.a. (Indicative G.Sec referenced on 30-03-2026)	6.79% p.a. (Indicative G.Sec referenced on 28-03-2025)

Assumptions	**Change in DBO**
Delta Effect of +1.00% Change in Rate of Discounting	-7.88
Delta Effect of -1.00% Change in Rate of Discounting	9.45
Delta Effect of +1.00% Change in Rate of Salary Increase	9.19
Delta Effect of -1.00% Change in Rate of Salary Increase	-7.90
Delta Effect of +1.00% Change in Rate of Employee Turno	-2.54
Delta Effect of -1.00% Change in Rate of Employee Turnov	2.68

Retirement Age:	Retirement Age is the age at which persons who hold certain jobs or offices are required by Entity's rule or by law to leave their employment. We have considered the retirement age for all employees as 58 years, as advised by the Entity. Anyone having age more than the retirement age is assumed to be retiring immediately.
Attrition Rate:	Attrition rate represents employee turnover other than on account of retirement, death or permanent disablement. Attrition rate is dependent on the nature of business carried out by the Entity and the retention policy of the Entity. Attrition rates are applied at the beginning of each future year. We have considered the Service related attrition rate as tabulated below, as advised by the Entity.
Service related band	**Attrition Rate**
For All Bands	**6.00 % p.a.**
2. Financial Assumptions	
Discount Rate:	The rate used to discount post-employment benefit obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate as 7.36% p.a. which relates to the par-yield rate available on Government Securities (G. Sec.) for the tenure of 12.00 years i.e. the expected term of the obligation. The rate is taken as per the deal rate as on 30-03-2026 as suggested under Accounting Standard 15 (AS 15) Revised 2005. (Ref: G Sec. rates available through www.fbil.org.in). The expected term of the obligation is represented by the average expected future service.
Salary Escalation Rate:	Since the Gratuity payments are to be made on the salary at the time of separation, liability to pay such Gratuity is based on the salary which the employee will be drawing at the time of exit; so, it is necessary to arrive at figures which would reflect the salaries of members in the future years. Estimates of future salary increases have been done on the basis of current salary suitably projected for future, beginning one year after the valuation date, the period is validated based on the available information as to the salary revision date other than the date one year after the valuation date, taking into consideration the general trend in inflation, seniority, promotion and other relevant factors, such as supply and demand

Future Years	**Salary Escalation Rate**
For All Future Years	**8.00 % p.a.**
3.Reasonableness of Assumptions	The escalation assumptions and attrition rate assumption are the expectations of the Entity based on the escalation that the Entity expects to experience in future and the expected attrition rate in the future. A detailed analysis of experience with regards to these assumptions has not been conducted. However, the importance, implication and broad guidelines of these assumptions were shared with the entity and the entity opined on the assumptions to be used, considering the suggestions, the outlook of the Entity and other economic scenarios. Thereby, the assumptions given by Entity have been relied upon and deemed reasonable as per explanation given by the Entity. However, we recommend an experience analysis be carried out periodically for the purpose of validating the assumptions. The assumption with regards to the discount rate has been considered as per the requirements of the Accounting Standard. No separate analysis of the mortality rate for the Entity was deemed necessary to be undertaken, hence we have considered an appropriate standard mortality table available. Suitable adjustments and improvements have been applied where necessary. The results may be particularly sensitive to some assumptions, such as the discount rate and escalation. Quantum of these sensitivities have been provided under the Valuation Results section where appropriate.
Materiality	Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. We have assumed that while providing the assumption, materiality of the assumptions has been considered by the Entity. The results of the valuation were shared with the Entity, and this Report is prepared in accordance with the constructive confirmation on the actuarial valuation summary specifying the data, assumptions and benefit scheme for the same.
Gratuity is payable to all the eligible employees at the rate of 15 days salary for each year of service, subject to a payment ceiling of INR 2,000,000.	

Vesting period :	5 years
Gratuity shall be payable to an employee on termination of employment due to superannuation, retirement, resignation, death or permanent disablement after successful completion of the vesting period, if applicable. However, the completion of vesting period is not applicable in the case where termination of employment is due to death or permanent disablement.	
Method of Valuation	To calculate the Defined Benefit Obligation (DBO) we have used the Projected Unit Credit Method which is suggested under Accounting Standard 15 (AS 19) Revised 2005. Under this method, accrued benefit amount is projected to calculate future expected cashflows by applying various valuation assumptions as described above and guidance given in the Accounting Standard, which is in turn discounted back at applicable discount rate assumption to arrive at present value of benefit obligation. (Refer FAQs for more detail) For the purpose of calculation, the past service is rounded up to 4 decimal places. Suitable application of the INR 2,000,000 ceiling has been considered when conducting the valuation.

SHREE KARNI FABCOM LIMITED

Notes forming part of the Standalone Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

42. RECONCILATION OF QUARTERLY RETURN FILED BY COMPANY TO THE BANK AND BOOKS OF ACCOUNTS FY 2025-26

(In Lakhs)

Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q1	Trade receivables (Less than 120 days)	4101.9	4119.13	-17.23	Please see note below
	Trade receivables (More than 120 days)	915.3	915.95	-0.65	
	Trade Payable	2700	2725.06	-25.06	
	Stock	4,061.70	4074.79	-13.09	
	Total Revenue	5,068.00	5,008.41	59.59	

Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q2	Trade receivables (Less than 120 days)	4,296.10	4,338.86	-42.76	Please see note below
	Trade receivables (More than 120 days)	687.80	726.42	-38.62	
	Trade Payable	3,312.90	3,127.79	185.11	
	Stock	5,033.90	5,029.97	3.93	
	Total Revenue	10,708.60	10,709.01	-0.41	

Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q3	Trade receivables (Less than 120 days)	4,554.50	4,527.62	26.88	Please see note below
	Trade receivables (More than 120 days)	822.10	846.91	-24.81	
	Trade Payable	3,765.00	3,759.38	5.62	
	Stock	5,655.90	5,663.18	-7.28	
	Total Revenue	15,782.10	15,782.14	-0.04	

Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q4	Trade receivables (Less than 120 days)	4,402.80	4,314.91	87.89	Please see note below
	Trade receivables (More than 120 days)	528.50	584.64	-56.14	
	Trade Payable	2,282.30	2,120.05	162.25	
	Stock	6,406.80	6,737.52	-330.72	
	Total Revenue	20,568.60	20,533.48	35.12	

Final data was not available with the Company regarding the credit note and debit note at the time of submitting DP statement to the bank. The Revenue and Trade receivable for the purpose of DP statement were calculated by the Company on the basis of data available at that time, However, the final entries were made later on, on the basis of which the books of accounts are reconciled and updated accordingly, because of which the actual figures as per books of accounts and as per DP statement vary.

SHREE KARNI FABCOM LIMITED
Notes forming part of the Standalone Financial Statements as at 31st March, 2026
(Currency: Rs in lakhs)

43 Ratio Analysis

Ratio	Numerator	Denominator	Current Period as on 31.03.2026	Previous Period as on 31.03.2025	Variance %	Remarks
Current ratio (in times)	Total current assets	Total current liabilities	1.40	1.24	12.89	NA
Debt-equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.67	0.85	-21.04	NA
Debt service coverage ratio (in times)	Earning for Debt Service= Net Profit before taxes+ Non cash operating expenses+ Interest+Other non cash adjustments	Debt service = Interest payments+Principal repayments	4.39	4.42	-0.56	NA
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	0.16	0.20	-21.14	NA
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	3.55	4.21	-15.62	NA
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.99	3.97	0.50	NA
Trade payables turnover ratio (in times)	Cost of Purchases	Average trade payables	5.56	7.36	-24.49	NA
Net Capital turnover ratio (in times)	Revenue from operations	Average working capital(i.e. Total current assets less total current liabilities	6.73	14.23	-52.72	Due to substantial increase in average working capital
Net profit ratio (in %)	Profit for the year	Revenue from operations	7.51	9.12	-17.65	NA
Operating profit ratio (in %)	Earning before interest and tax	Revenue from operations	0.12	0.14	-14.01	NA
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities+ Deferred tax	21.25	26.99	-21.25	NA

Note: While Calculation Total Equity, Share application money pending allotment and Share warrant money pending allotment has not been considered.

Note 44-Other Statutory Information

i) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017
ii) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami Property.
iii) The company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
iv) The company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
v) The company has not traded or invested in Crypto currency or Virtual currency during the financial year.
vi) The Company has not advanced or loaned or invested any fund to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,

vii) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries); or
b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

viii) The Company do 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.

ix) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India during the year.

Note - 44
Previous year's figures have been regrouped and/or re-arranged wherever necessary, to conform the current year classification.

As per our annexed report of even date

For Baid, Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

(Dhruv Narayan Agarwal)
Partner
Membership No: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940VKSRXP2235

For and on behalf of the Board
SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF SHREE KARNI FABCOM LIMITED

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **SHREE KARNI FABCOM LIMITED** (hereinafter referred to as **"the Holding Company"**) and its subsidiaries (the Holding Company and its subsidiaries together referred to as **"the Group"**) which comprises the Consolidated Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss, and statement of cash flows for the year ended 31st March, 2026 and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, and ***Profit***, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements

Emphasis of Matter

a. We draw attention towards Note 40 in the consolidated financial statements which states that the Company in the process of strategic restructuring of its Stitching Division to optimize operational capabilities. As on the balance sheet date, the transition is progressively underway, including the relocation of asset infrastructure and the orderly settlement of outstanding liabilities and any other pending transactions.

Key Audit matters

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

Key Audit Matters	Auditor's Response
Valuation of Inventories Refer to note 17 to the consolidated financial statements. The Company is having Inventories of Rs. 6966.64 lakhs as on 31 March 2026. As described in the accounting policies Note No 1(e) to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value. Inventory forms a significant part of the Company's assets, given the operational complexity, volume of transactions, and reliance on both physical records and inventory management systems, this area required particular audit attention to ensure accuracy and completeness of reporting.	Based on our procedures, we obtained audit evidence supporting the appropriateness of management's assumptions and judgments applied in determining inventory quantities and values by: Performed walkthroughs of the end-to-end inventory process to understand how stock is recorded, tracked, and reconciled in both physical and software systems Evaluated the effectiveness of controls over stock management and reporting at key locations. Conducted sample-based verification by comparing physical stock with inventory software and accounting records Verifying for a sample of individual products that costs have been correctly recorded. Reviewed management's explanations for identified variances and their ongoing efforts to strengthen reconciliation processes.
Related Party Transactions The Company enters into related party transactions as part of its normal business operations. Given their nature, ensuring transparency and appropriate disclosure was a key focus area. Evaluating the basis of management's assumptions and judgments regarding the nature, classification, and presentation of such transactions was critical.	Based on our work, we obtained assurance over the reasonableness of management's assumptions and judgments relating to the identification, classification, and disclosure of related party transactions through: Examined supporting documentation including board approvals, agreements, and related records. Reviewed the Company's process for identification, approval, and documentation of related party transactions. Assessed how management determined the terms of such transactions and evaluated whether they were appropriate and at arm's length. Verified that disclosures were complete and made in accordance with applicable financial reporting requirements.

Information Other Than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report including Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information but does not include the Consolidated financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibility of Management for the consolidated financial statements

The Parent 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, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's responsibility for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

The consolidated financial statements include the audited financial statements of IGK Technical Textiles LLP (Subsidiary) and Textron Fabtech LLP (Associate), whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 3462.59 lakhs as at March 31, 2026, total revenues (before consolidation adjustments) of Rs. 1653.61 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 2.58 lakhs for the year ended March 31, 2026, respectively, as considered in the consolidated financial statements, which have been audited by their respective independent auditors. The independent auditors' reports on annual financial statements of these entities have been furnished to us and our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included in respect of these subsidiary and associate is based solely on the report of such auditors.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.

g. As the company is a public company, Subject to the provision of section 197 read with schedule V of the Companies Act, 2013, a Company having profits in a financial year may pay remuneration to a managerial person or persons or other director or directors] not exceeding the limits specified in this section.

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

I. The Company does not have any pending litigations which would impact its financial position.

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

III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

IV. a) The respective management of the company and its subsidiaries or associates which are company incorporated in India whose financial statements have been audited under the Act, have 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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries; and

c) Based on such audit procedures as 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 (IV) (a) and (IV) (b) contain any material mis-statement

V. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended 31 March 2026 which has a feature of recording audit trial (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 and the audit trail has been preserved by the Company as per statutory requirements for record retention.

Since all the subsidiary and associate of the company are governed by the Limited Liability Partnership Act, 2008, maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is not applicable and hence the accounting software of such subsidiary and associate for maintaining its books of account which doesn't have a feature of recording audit trail (edit log) facility.

VI. The company did not declare or pay dividend during the year and therefore the compliance under section 123 of Companies Act is not applicable to the company.

***For* BAID AGARWAL SINGHI & CO.**
Chartered Accountants
Firm Registration No. 328671E

CA DHRUV NARAYAN AGARWAL
(Partner)
Membership No: 306940
Place: Kolkata
Dated: 21st Day of May,2026
UDIN: 26306940HCYKDW2453

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to Statutory Audit of SHREE KARNI FABCOM LIMITED for the year ended 31st March 2026, we report that:

(i) In our opinion and according to the information and explanations given to us, the following entities incorporated in India and included in the consolidated financial statements, have no unfavorable remarks, qualifications, or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

SR No.	Name of the entities	Proportion of Holding	Holding Company/ Subsidiary/ Joint Venture/ Associate
1.	IGK Technical Textiles LLP	66.67%	Subsidiary
2.	Textron Fabtech LLP	45.00%	Associate

***For* BAID AGARWAL SINGHI & CO.**
Chartered Accountants
Firm Registration No. 328671E

CA DHRUV NARAYAN AGARWAL
(Partner)
Membership No: 306940
Place: Kolkata
Dated: 21st Day of May,2026
UDIN: 26306940HCYKDW2453

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading **"Report on Other Legal and Regulatory Requirements"** of our Independent Auditors' Report of even date in respect to the Statutory Audit of **SHREE KARNI FABCOM LIMITED** for the year ended 31st March 2026, we report that:

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of M/s **SHREE KARNI FABCOM LIMITED** ("the Holding Company") and its subsidiaries as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and have consolidated the reporting on internal financial controls with reference to financial statements of its subsidiaries companies incorporated In India, which have been furnished to us by the Management for our reporting on consolidated financial statements as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Group management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statement was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statement system and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statement included obtaining an understanding of internal financial controls with reference to consolidated financial statement, 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 consolidated financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

(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 consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statement and such internal financial controls with reference to consolidated financial statement were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

***For* BAID AGARWAL SINGHI & CO.**
Chartered Accountants
Firm Registration No. 328671E

CA DHRUV NARAYAN AGARWAL
(Partner)
Membership No: 306940
Place: Kolkata
Dated: 21st Day of May,2026
UDIN: 26306940HCYKDW2453

NOTE 1 & 2: SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY INFORMATION

The Company was originally formed as a limited liability partnership under the name 'Shree Karni Fabcom LLP', bearing LLP identification number AAM-1759 pursuant to a certificate of incorporation dated March 7, 2018 issued by the Registrar of Companies, Gujarat at Ahmedabad. Subsequently, pursuant to a resolution passed in the meeting of the partners held on November 26, 2022, Shree Karni Fabcom LLP was converted into a private limited company under the name 'Shree Karni Fabcom Private Limited' and a certificate of incorporation dated April 11, 2023 was issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on October 3, 2023 and by the Shareholders at an extra-ordinary general meeting held on October 10, 2023 the Company was converted into a public limited company and consequently the name of the Company was changed to 'Shree Karni Fabcom Limited' and a fresh certificate of incorporation dated October 20, 2023 was issued by the Registrar of Companies, Gujarat at Ahmedabad .The Parent company is mainly engaged in trading and Manufacturing of technical textiles, knitted and coated fabrics.

The list of subsidiaries & associates, which are included in the consolidation and the company's holding therein is as under:

Sr. No	Nature of Relationship	Name of LLP	Country of Incorporation	Proportion of ownership
1	Associate	Textron Fabtech LLP	India	45.00%
2	Subsidiary	IGK Technical Textiles LLP	India	66.67%

2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements has been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ("GAAP") and comply withthe mandatory Accounting Standards ("AS") specified under section 133 of the Companies Act 2013, read with Rule7 of the Companies (Accounts) Rules,2014 and the relevant provisions of the Companies Act 2013 ("the 2013 Act").

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Revised) to the Companies Act, 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current- non current classification of assets and liabilities.

The Financial statements are presented in Indian Rupee (Rs.) & all the amounts included in the financial statements have been rounded off to the nearest Lakhs upto two decimals, as required by General instructions for preparation of Financial Statements in Division I of Schedule III of the Companies Act, 2013, except number of shares, face value of shares, earning per shares, or wherever otherwise stated. Wherever the amount represented Rs '0.00' construes value less than Rupees Five Hundred.

b. USE OF ESTIMATES

The preparation of financial statements is in conformity with GAAP which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses for the year. Actual results could differ from this estimate. Difference between the actual result and estimates are recognized in the period in which result are known / materialized.

c. CLASSIFICATION OF ASSETS AND LIBAILITIES

The Revised Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Current or Non-current.

(a) An asset shall be classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, normal operating cycle of the company;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting date.

(b) All assets other than current assets shall be classified as non-current.

(c) A liability shall be classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the normal operating cycle of the company;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(c) All liabilities other than current liabilities shall be classified as non-current.

d. PROPERTY, PLANT & EQUIPMENT

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses (if any).

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; (c) 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.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use. The cost of improvements to leasehold premises, if recognition criteria are met, are capitalized and disclosed separately under leasehold improvement.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal and retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset is recognized in Statement of profit and loss.

Subsequent cost
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other subsequent cost are charged to Statement of profit and loss at the time of incurrence.

Depreciation
Depreciation on PPE is provided on the Straight-Line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 ('Schedule II') on a pro-rata basis from the date the asset is ready to put to use.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Amortization of Intangible Assets

lntangible Asset is carried in the books, if it is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes.

An intangible asset is recognized if, and only if:
a) lt is probable that the future economic benefits that are attributed to the asset will flow to the company; and
b) cost of the asset can be measured reliably.

Intangible assets acquired by the Company are stated at cost less accumulated amortization less impairment loss, if any.

e. INVENTORIES
Inventories of finished goods are valued at cost or net realizable value ('NRV'), whichever is lower. Costs of inventories has been determined using weighted average cost method and comprise all costs of purchase after deducting non-refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Provision is made for items which are not likely to be consumed and other anticipated losses wherever considered necessary. The comparison of cost and NRV for traded goods is made on at item Company level basis at each reporting date. However, there is no inventory of any products.

f. BORROWING COSTS
Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalization of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are charged to statement of profit and loss as and when incurred.

g. IMPAIRMENT OF ASSETS
At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

INVESTMENTS

Long-term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

Current Investments are carried at lower of cost or market value. The cost of securities sold is determined on the first-in-first-out (FIFO) method.

h. PROVISIONS AND CONTINGENT LIABILITIES AND ASSETS

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past events, 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.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

i. EMPLOYEE BENEFITS

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post Retirement Employee Benefits

Gratuity

(a) Defined contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans is recognized in the Consolidated Statement of Profit and Loss in the financial year to which they relate.

(b) Defined benefit plans

Defined Benefit plans are the plans for which the benefits have been defined for the eligible employees which are meant to be paid to then at the time of retirement.

j. INCOME TAXES

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period. It is determined as the amount of tax payable under the provisions of Income Tax Act, 1961, in respect of taxable income for the year.

Deferred Tax

Deferred income taxes reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier year. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Current Tax for the year

Current tax for the year is recognized as an expense in the Statement of Profit and Loss. However, if it relates to an item that is recognized directly in the financial statements outside the Statement of Profit and Loss (such as adjustments on account of capital receipts), the tax effect is also recognized outside the Statement of Profit and Loss, in accordance with the treatment of the underlying item.

k. FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions or that approximates the actual rate on transaction date.

Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction

Any Income or Expense on account exchange difference in respect of current assets and current liabilities not covered by forward contracts, are recognized in the Statement of Profit and Loss at the period end.

l. REVENUE RECOGNITION

Our Company's revenue is primarily generated from sale of Technical Textile used by the luggage, medical arch support, chairs, shoes and apparels industry. Income is recognized on accrual basis based on the regular invoices raised on the clients as per the terms of Agreements or other arrangements as the case may be. Revenue is measured at fair value of consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Other Income

Other Income is accounted for on accrual basis except where the receipt income is uncertain.

n. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity share holder, by weighted average number of equity share outstanding during the period.

Diluted earnings per share is computed by dividing the net profit or loss attributable to equity share holder by weighted average number of equity and equivalent diluted equity share outstanding during the year except where the result would be antidilutive.

o. CASH AND CASH EQUIVALENTS

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

p. CWIP

CWIP includes costs directly attributable to projects in progress, such as the building currently under development. Direct costs comprise materials, labor, equipment, subcontractors, and other resources used specifically for the project. Indirect costs, including administrative expenses, insurance, and supervision, are also allocated as appropriate. Materials inventory includes items purchased but not yet utilized, held in storage or on-site. Labor costs reflect both direct construction labor and supporting indirect labor associated with the project.

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SHREE KARNI FABCOM LIMITED
CIN : L47820GJ2023PLC140106
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2026

(Currency: Rs. In lakhs)

	PARTICULARS	Note No.	As at March 31, 2026	As at 31st March, 2025
	EQUITY AND LIABILITIES			
1)	**Shareholder's Fund**			
	(a) Share Capital	3	722.88	707.20
	(b) Reserves and Surplus	4	10,307.35	7,600.34
	(c) Money Received Against Share Warrant	5	602.44	301.22
	Total Shareholder's Fund		11,632.67	8,608.76
2)	**Share Application Money Pending Allotment**	6	-	697.68
3)	**Minority Interest**		157.48	175.46
	Liabilities			
4)	**Non-Current Liabilties**			
	(a) Long Term Borrowings	7	2,070.06	1,768.61
	(b) Deferred Tax liabilities (Net)	8	216.59	104.19
	(c) Other Long Term Liabilities	9	69.14	21.08
	Total Non-Current Liabilities		2,355.79	1,893.89
5)	**Current Liabilities**			
	(a) Short Term Borrowings	10	7,753.26	8,546.78
	(b) Trade Payables	11		
	i)Total outstanding dues of micro enterprises and small enterprises and		107.74	190.23
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,615.49	2,642.30
	(c) Other Current Liabilities	12	360.84	343.31
	(d) Short term provisions	13	90.71	146.93
	Total Current Liabilities		10,928.04	11,869.55
	Total Equity And Liabilities		**25,073.98**	**23,245.33**
	ASSETS			
1)	**Non-Current Assets**			
a)	**Property, Plant & Equipment**	14		
	i) Tangible Assets		9,995.08	5,314.18
	ii) Intangible Assets		281.75	387.21
	iii) Capital Work in Progress		-	3,143.95
b)	**Non Current Investments**	15	311.58	303.03
c)	**Other Non-Current Assets**	16	703.92	758.43
	Total Non-Current Assets		11,292.33	9,906.80
2)	**Current Assets**			
	(a) Inventories	17	6,966.64	4,945.75
	(b) Trade receivables	18	5,199.91	5,214.01
	(c) Cash and Cash Equivalents	19	12.30	1,030.41
	(d) Other Current Assets	20	1,602.80	2,148.36
	Total Current Assets		13,781.65	13,338.53
	Assets classified as held for sale			
	Total Assets		**25,073.98**	**23,245.33**
	Significant accounting policies	1&2		

The accompanying notes form an integral part of the Consolidated financial statements
As per our annexed report of even date

For Baid, Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

For and on behalf of the Board
SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

(Dhruv Narayan Agarwal)
Partner
Membership No.: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940HCYKDW2453

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

SHREE KARNI FABCOM LIMITED
CIN : L47820GJ2023PLC140106

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in Lakhs except EPS)

	PARTICULARS	NOTE NO.	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
	Revenue			
I	Revenue from operations	21	20,354.41	16,697.77
II	Other Income	22	488.08	248.52
III	**Total Income (I+II)**		**20,842.49**	**16,946.29**
IV	**Expenses**			
	Cost of materials consumed	23	14,715.94	12,755.40
	Changes in inventories of Finished and Semi Finished Goods	24	(277.52)	(694.97)
	Employee benefits expense	25	1,350.38	976.81
	Finance costs	26	566.20	284.45
	Depreciation and amortisation Expenses	27	954.52	609.02
	Other expenses	28	1,446.07	855.66
	Total Expenses		**18,755.59**	**14,786.37**
V	**Profit / Loss before exceptional item and tax (III-IV)**		2,086.90	2,159.92
VI	**Exceptional Item**		-	-
VII	**Profit / (Loss) before Tax (V-VI)**		2,086.90	2,159.92
VIII	**Income tax expense**			
	- Current tax		426.15	531.39
	- Deferred tax		112.40	48.84
	- Income tax for earlier years		11.89	18.98
IX	**Add : Profit from Associate**		(6.93)	(9.59)
X	**Less : Minority Interest**		(5.99)	(40.48)
XI	**Profit/ (loss) for the year from continuing operations (VII-VIII+IX+X)**		1,523.54	1,510.64
	Earnings Per Equity Share (Basic)	32	21.08	22.51
	Earnings Per Equity Share (Diluted)		21.08	22.51
	Significant accounting policies	1&2		

The accompanying notes form an integral part of the Consolidated financial statements
As per our annexed report of even date

For Baid, Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

For and on behalf of the Board
SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

(Dhruv Narayan Agarwal)
Partner
Membership No.: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940HCYKDW2453

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

SHREE KARNI FABCOM LIMITED
CIN : L47820GJ2023PLC140106
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2026

(Currency: Rs. In lakhs)

PARTICULARS	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
A. CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit/(Loss) before Tax and Extraordinary Items	**2,086.90**	**2,159.92**
Adjustments for:		
Depreciation and amortisation Expenses	954.52	609.02
Impairment Loss	6.83	-
Finance costs	566.20	284.45
Profit on Sale of Capital Assets	(26.39)	-
Loss on Sale of Assets	5.50	-
Interest Income	(21.83)	(23.82)
Income on Investment	(34.84)	(15.70)
Provision for Gratuity	48.27	10.71
Operating Profit/(Loss) before Working Capital Changes	**3,585.16**	**3,024.58**
Adjustments for:		
Decrease/(Increase) in Inventories	(2,020.89)	(1,165.32)
Decrease/(Increase) in Other Current Assets	545.56	(1,783.50)
Decrease/(Increase) in Trade and Other Receivables	14.10	(1,958.84)
Decrease/(Increase) in Other Non Current Assets	54.51	(50.63)
Increase/(Decrease) in Trade and Other Payables	(109.30)	1,726.97
Increase/(Decrease) in Other Current Liabilities	17.54	91.12
Cash Generated from Operations	**2,086.68**	**(115.65)**
Adjustment for:		
Income taxes paid (net)	(494.47)	(544.83)
NET CASH GENERATED/(USED IN) OPERATING ACTIVITIES (A)	**1,592.21**	**(660.48)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(2,676.48)	(4,049.31)
Sale of Property, Plant & Equipment	304.54	-
Purchase of Investments	(15.48)	(56.48)
Sale of Investments	-	-
Interest Income	21.83	23.82
Income From Investment	34.84	-
		-
NET CASH GENERATED /(USED IN) INVESTING ACTIVITIES (B)	**(2,330.75)**	**(4,081.97)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	15.68	-
Money Received against Share Warrant	301.22	301.22
Share application money pending allotment	(697.68)	697.68
Securities Premium on issue of Share Capital	1,183.46	-
Finance Cost	(566.20)	(284.45)
Increase/ (Decrease) in Long Term Borrowings	301.45	(390.11)
Increase/ (Decrease) in Short Term Borrowings	(793.52)	2,767.70
Increase/(Decrease) in Minority Interest	(23.97)	40.48
NET CASH GENERATED /(USED IN) FINANCING ACTIVITIES (C)	**(279.56)**	**3,132.52**
NET INCREASE/(DECREASE) IN CASH DURING THE YEAR (A+B+C)	**(1,018.10)**	**(1,609.92)**
Cash & Cash Equivalents at the beginning of the year	1,030.41	2,640.33
Cash & Cash Equivalents at the end of the year	**12.30**	**1,030.41**
Cash & Cash Equivalents Comprises:		
Cash and stamps on hand	10.59	25.77
Balance with banks	1.71	1,004.64
Total	**12.30**	**1,030.41**

Notes:
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard- 3 on 'Cash Flow Statement' notified by the Companies (Accounting Standards) Rules, 2006.
2 Cash and cash equivalents consist of cash and bank balances as indicated in Note - 19 to the Financial Statements.
3 Figures in brackets indicate cash outflows.

In terms of our report of even date

For Baid, Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

For and on behalf of the Board
SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

(Dhruv Narayan Agarwal)
Partner
Membership No.: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940HCYKDW2453

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

3 SHARE CAPITAL	As at March 31, 2026	As at March 31, 2025
a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period :		
Authorised Share Capital :		
80,00,000 (P.Y.80,00,000 Equity Shares of Rs.10/- each)	800.00	800.00
Issued, Subscribed & Fully Paid-up Share Capital :		
Paid -up Share Capital (70,72,000 , P.Y 70,20,000 Equity shares of Rs.10 each)	707.20	707.20
Add: Issue of equity shares (1,56,750 Equity Shares of Rs.10/- each)	15.68	-
Total (72,28,750 Equity Shares of Rs.10/- each)	**722.88**	**707.20**

a) Pursuant to the resolution passed by the Board of Directors on January 18, 2025, the Company approved the issuance of equity shares on a preferential basis. The said issuance was subsequently approved by the shareholders at their meeting held on February 12, 2025, and the shares were allotted on April 2, 2025. The Company received in-principle approval from the National Stock Exchange of India Limited (NSE) for the proposed allotment on March 19, 2025.
The Company has approved the issue and allotment of 1,56,750 equity shares of face value ₹10 each at a price of ₹765 per share (including a premium of ₹755 per share) on a preferential basis. The total amount to be raised through this issue aggregates to ₹1,199.14 Lakhs including shrare premium amounting to ₹1,183.46 Lakhs.

b) Rights, preferences and restrictions attached to equity shares
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 RESERVE AND SURPLUS	As at March 31, 2026	As at March 31, 2025
Securities Premium		
Beginning of the year	3,936.24	3,936.24
Add: Premium on Issue of Equity Shares	1,183.46	-
End of the year	**5,119.70**	**3,936.24**
Retained earnings		
Beginning of the year	3,664.11	2,153.47
Add: Transfer from Statement of Profit and Loss	1,523.54	1,510.64
End of the year	**5,187.65**	**3,664.11**
Total Reserves and Surplus	**10,307.35**	**7,600.34**

5 MONEY RECEIVED AGAINST SHARE WARRANT	As at March 31, 2026	As at March 31, 2025
Opening Balance	301.22	-
Add: Received During the year	301.22	301.22
Total Money Received Against Share Warrant	**602.44**	**301.22**

Pursuant to the resolution passed by the Board of Directors on January 18, 2025, the Company approved the issuance of share warrants convertible into equity shares on a preferential basis. The said issuance was subsequently approved by the shareholders at their meeting held on February 12, 2025. The Company received in-principle approval from the National Stock Exchange of India Limited (NSE) for the proposed issuance on March 19, 2025.
The Company has approved the allotment of 3,15,000 share warrants, each convertible into or exchangeable for one fully paid equity share of the Company of face value ₹10 each at a price of ₹765 per warrant (including a premium of ₹755 per warrant). The total amount to be raised through this issue aggregates to ₹2,409.75 Lakhs.
Till March 31, 2026, the Company has received ₹602.44 Lakhs towards the aforesaid preferential issue of share warrants. The equity shares underlying these warrants are yet to be allotted.

6 SHARE APPLICATION MONEY PENDING ALLOTMENT	As at March 31, 2026	As at March 31, 2025
Beginning of the year	697.68	-
Add: During the year	-	697.68
Less:Issued during the year	(697.68)	-
Total Share Application Money Pending Allotment	-	**697.68**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

7	**LONG TERM BORROWINGS#**	**As at March 31, 2026**	**As at March 31, 2025**
	Secured Loan, considered good		
(a)	Term Loan from Bank	2,982.18	2,511.73
(b)	Vehicle Loan from Bank	9.08	23.16
	Less: Current Maturity	(921.20)	(766.28)
	Total Long Term Borrowings	**2,070.06**	**1,768.61**

#Refer Note 10A for Security and Repayment terms

8	**DEFERRED TAX LIABILITIES (NET)**	**As at March 31, 2026**	**As at March 31, 2025**
	Deferred tax liabilities		
	Depreciation and amortisation Expenses	233.99	109.50
	Deferred tax assets		
	Provision for Gratuity	(17.40)	(5.31)
	Deferred Tax Liabilities (Net)	**216.59**	**104.19**

9	**OTHER LONG TERM LIABILITIES**	**As at March 31, 2026**	**As at March 31, 2025**
	Provision For Gratuity	69.14	21.08
	Total Other Long Term Liabilities	**69.14**	**21.08**

10	**SHORT TERM BORROWINGS#**	**As at March 31, 2026**	**As at March 31, 2025**
	Secured Loan, considered good		
	a.Cash Credit Accounts	4,255.56	4,083.51
	b.Current Maturity of Loan from banks	921.20	766.28
	Unsecured Loan, considered good*		
	a. Loan payable on demand		
	- Related Parties	1,776.32	2,777.49
	- Others	800.18	919.50
	Total Short Term Borrowings	**7,753.26**	**8,546.78**

* Unsecured loans includes the balance of partner's current capital account which is carried forward from the Limited Liability Partnership.
#Refer Note 10A for Security and Repayment terms

11	**TRADE PAYABLES**	**As at March 31, 2026**	**As at March 31, 2025**
(a)	Total outstanding dues of micro enterprises and small enterprises and	107.74	190.23
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	2,615.49	2,642.30
	Total Trade Payables	**2,723.23**	**2,832.53**

12	**OTHER CURRENT LIABILITIES**	**As at March 31, 2026**	**As at March 31, 2025**
	Partner's Capital	-	159.26
	Liability For Expenses	209.77	132.05
	Advance from customers	130.81	24.00
	Statutory Dues Payable		
	Professional Tax Payable	0.94	0.32
	ESIC & PF Payable	4.00	3.06
	Goods and Service Tax Payable	1.90	6.25
	TDS & TCS Payable	13.42	18.37
	Doubtful Debt	-	-
	Total Other Current Liabilities	**360.84**	**343.31**

13	**SHORT TERM PROVISIONS**	**As at March 31, 2026**	**As at March 31, 2025**
	Provision for Gratuity*	0.63	0.42
	Income Tax Liabilities (Net of Advance tax)	90.08	146.50
	Total Short Term Provisions	**90.71**	**146.93**

* Refer note 41

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

16	**OTHER NON CURRENT ASSETS**	**As at March 31, 2026**	**As at March 31, 2025**
	Capital Advance	209.93	251.43
	Security Deposits	146.69	187.66
	Fixed Deposits with Banks	347.30	319.33
	Total Other Non Current Assets	**703.92**	**758.43**

17	**INVENTORIES**	**As at March 31, 2026**	**As at March 31, 2025**
	(At lower of cost and net realisable value)		
	Raw Material	3,145.35	1,437.05
	Finished & Semi Finished Goods	3,786.22	3,508.70
	Goods in Transit	35.07	-
	Total Inventories	**6,966.64**	**4,945.75**

18	**TRADE RECEIVABLES**	**As at March 31, 2026**	**As at March 31, 2025**
	Trade receivables - unsecured, considered good (exceeding six months)		
	- Related parties	-	-
	- Others	449.28	877.00
	Trade receivables - unsecured, considered doubtful (exceeding six months)		
	- Related parties	-	
	- Others	-	2.86
	Less: Provision for Doubtful Debts		(2.86)
		449.28	**877.00**
	Trade receivables - unsecured, considered good (less than six months)		
	- Related parties	12.55	3.64
	- Others	4,738.08	4,333.37
	Trade receivables - unsecured, considered doubtful (less than six months)		
	- Related parties	-	-
	- Others	-	-
		4,750.63	**4,337.01**
	Total Trade Receivables	**5,199.91**	**5,214.01**

19	**CASH & CASH EQUIVALENTS**	**As at March 31, 2026**	**As at March 31, 2025**
	Balance with banks		
	in current accounts	1.71	1,004.64
	Cash and stamps on hand	10.59	25.77
	Total Cash & Cash Equivalents	**12.30**	**1,030.41**

20	**CURRENT ASSETS - OTHERS**	**As at March 31, 2026**	**As at March 31, 2025**
	Advances Recoverable from		
	(Unsecured, considered good)		
	- Suppliers	482.05	321.27
	- Other advances	8.10	400.95
	Prepaid Expenses	25.84	21.84
	Interest Receivables	341.14	351.06
	Other Receivables	90.59	159.90
	Balances with statutory/government authorities	540.26	559.30
	Deferred Expenses		
	- Issue and Listing Expenses*	33.80	59.13
	-Revenue Expenses*	81.02	274.93
	Total Other Current Assets	**1,602.80**	**2,148.36**

*Expenses pertaining to the Bag unit in Delhi and the Dyeing unit in Surat were deferred by the management during FY 2024-25, as the corresponding revenue had not accrued during that period. This treatment was adopted in line with the matching principle, ensuring that costs are recognised in the period in which the related income is generated, thereby reflecting a true and fair view of business profitability.

During FY 2025-26, pursuant to a strategic decision, the management has undertaken the restructuring of its stitching division. As a result, the future economic benefits associated with the previously deferred expenditure are no longer expected to accrue. Consequently, in accordance with the principle that expenses should be recognised in the period in which the related benefit ceases to exist, the said deferred expenditure has been fully charged off to the Statement of Profit and Loss.

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

21	**REVENUE FROM OPERATIONS**	**For the Year ended 31st March, 2026**	**For the Year ended 31st March, 2025**
	Other operating revenues		
	Sale of Goods	17,030.76	15,121.19
	Job Work	957.76	87.43
	Export Sales	2,365.89	1,489.15
	Total Revenue from operations	**20,354.41**	**16,697.77**

22	**OTHER INCOME**	**For the Year ended 31st March, 2026**	**For the Year ended 31st March, 2025**
	Income From Investment	27.52	15.70
	Profit on sale of Capital Asset	26.39	-
	Foreign Exchange Gain	69.65	25.64
	Interest on Fixed Deposit	21.83	23.82
	Rental Income	4.05	3.00
	Miscellaneous Income	67.60	-
	Subsidy	156.22	135.67
	Duty Drawback	69.76	23.42
	Rodtep	29.85	15.52
	Discount Received	1.08	0.20
	Prior Period Income	-	2.47
	TDS Refund Interest	-	1.06
	Interest on MSME	4.71	-
	Insurance Claim	6.56	2.02
	Bad Debt Recovered	2.86	-
	Total other income	**488.08**	**248.52**

23	**COST OF MATERIALS CONSUMED**	**For the Year ended 31st March, 2026**	**For the Year ended 31st March, 2025**
	Opening Raw Material	1,437.05	966.69
	Add: Purchases and Direct Expenses	16,459.31	13,225.76
	Less: Closing Raw Material	3,180.42	1,437.05
	Total Cost of Materials Consumed	**14,715.94**	**12,755.40**

24	**CHANGES IN INVENTORIES OF FINISHED AND SEMI FINISHED GOODS**	**For the Year ended 31st March, 2026**	**For the Year ended 31st March, 2025**
	Opening Stock	3,508.70	2,813.73
	Less: Closing Stock	3,786.22	3,508.70
	Total (Increase)/Decrease in Inventories	**(277.52)**	**(694.97)**

25	**EMPLOYEE BENEFITS EXPENSE**	**For the Year ended 31st March, 2026**	**For the Year ended 31st March, 2025**
	Salary, wages and other benefits	927.39	555.17
	Staff Welfare Expense*	50.25	35.45
	Director Remuneration	240.00	348.00
	Gratuity Expenses	48.27	10.71
	Wages	35.25	27.48
	Bonus	49.22	-
	Total Employee benefit expenses	**1,350.38**	**976.81**

*Staff Welfare Expenses includes PF & ESI

26	**FINANCE COSTS**	**For the Year ended 31st March, 2026**	**For the Year ended 31st March, 2025**
	Interest On Cash Credit Facility	270.45	166.25
	Interest on Loans*	255.27	107.37
	Stamp Duty	34.69	-
	Processing Charges	5.79	10.84
	Interest On Partner's Capital	-	-
	Total Finance cost	**566.20**	**284.45**

*Interest subsidy income amounting to Rs 29.91 lakhs for March'26 has been netted of with interest on loans on accrual basis.

27	**DEPRECIATION ON PROPERTY PLANT & EQUIPMENTS**	**For the Year ended 31st March, 2026**	**For the Year ended 31st March, 2025**
	Tangible Assets	872.35	536.27
	Intangible Assets	82.17	72.74
	Total Depreciation	**954.52**	**609.02**

Note : Refer to Note No. 14

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

		For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
28	**OTHER EXPENSES**		
	Bank Charges	7.17	7.69
	Impairment Loss	6.83	-
	Amortisation of Deferred Expenses	193.91	-
	Transport Charges	348.62	244.98
	Audit Fees (Refer Note. 28.1)	6.50	6.75
	Travelling & Conveyance Expenses	62.41	42.23
	Courier Expense	13.08	9.12
	Discount & Commission Expenses	29.18	9.84
	Donation	4.53	4.87
	CSR Expenses*	28.72	39.67
	Electricity Expenses	2.19	7.92
	Insurance Expenses	42.37	18.62
	Legal and Consultancy Expenses	127.35	91.62
	Office Expenses	57.10	44.38
	Rent Expenses	49.86	4.42
	Repair And Maintenance	159.95	131.09
	Stationary & Printing Expenses	13.79	9.14
	Packing charges	33.81	32.31
	Rates and Taxes	2.44	6.66
	Interest / Penalty	0.86	13.93
	Water Treatment Expenses	30.93	9.58
	Issue & Listing Expenses	48.91	32.64
	Loss on Sale of Assets	5.50	-
	Prior Period Expense	-	15.40
	Selling & Distribution Expenses	90.95	26.08
	Miscellaneous Expenses	79.11	33.22
	Stamp duty and Registration fees	-	13.52
	Total Other expenses	**1,446.07**	**855.66**
	*Refer note no. 33 for disclosure on CSR		
28.1	**Audit Fees**		
	Statutory Audit Fees	6.22	6.22
	Fees for Taxation Matters	0.28	0.25
	Fees for Certification	-	0.03
		6.50	**6.75**
29	**Income taxes**		
	Income tax related to items charged or credited directly to profit or loss during the year :		
a)	**Statement of profit and loss**		
(i)	Current Income Tax	426.15	531.39
(ii)	Deferred Tax expense / (benefit)	112.40	48.84
(iii)	Income tax adjustment for earlier years	11.89	18.98
	Total (a+b)	**550.44**	**599.20**
	***The reconciliation of estimated income tax (arrived at by multiplying accounting profit with India's domestic tax rate) to income tax expense is as follows.**		
	Profit / (Loss) before taxes	2,086.90	2,159.92
	Profit / (Loss) before taxes	27.00	
	Enacted Income Tax rate in India	25.17%	25.17%
	Enacted Income Tax rate in India	34.94%	
	Income tax expense at tax rates applicable	527.87	561.41
	Adjustments ;		
	Tax effect of items that are deductible for tax purpose	(254.56)	(114.61)
	Tax effect of items that are not deductible for tax purpose	149.39	84.60
	Tax effect Income charged under special rates	-	-
	Reversal of deferred tax liability	112.40	48.84
	Income tax adjustment for earlier years	11.89	18.98
	Other Adjustments		
	Others	3.47	-
	Income tax expense reported	**550.44**	**599.20**
	Effective Income tax rate (%)	26.38	27.74

***Note The Tax Reconciliation has been made by considering the taxability impact of income and losses and all other subsequent adjustments has been made in computation.**

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SHREE KARNI FABCOM LIMITED

Notes forming part of the Consolidated Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

Note 3 (c)

c. Details of shareholders holding more than 5% shares in the Company :

Name of Shareholders	As at March 31, 2026 No. of Shares	As at March 31, 2026 % holding	As at March 31, 2026 % Change during the Period	As at March 31, 2025 No. of Shares	As at March 31, 2025 % holding	As at March 31, 2025 % Change during the Period
Manoj Kumar Karnani	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
Raj Kumar Agarwal	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
Rajiv Lakhotia	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
Radhe Shyam Daga	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
	50,00,000.00	**69.16%**		**50,00,000.00**	**70.72%**	

d. Details of shareholding of Promoters

Name of the Promoters & Promoter Group	As at March 31, 2026 No of shares held	As at March 31, 2026 % of Holding	As at March 31, 2026 % Change during the Period	As at March 31, 2025 No. of Shares	As at March 31, 2025 % of Holding	As at March 31, 2025 % Change during the Period
Manoj Kumar Karnani	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
Raj Kumar Agarwal	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
Rajiv Lakhotia	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
Radhe Shyam Daga	12,50,000.00	17.29%	-0.38	12,50,000.00	17.68%	-
	50,00,000.00	**69.16%**		**50,00,000.00**	**70.72%**	**-**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Note 10(A) Loan Details as on 31st March, 2026							
Sl No.	**Name of the Lender**	**Rate Of Interest**	**Nature of Loan**	**Amount as on 31.03.26**	**Repayment Term(including moratorium period**	**Loan Financed (Rs. In Lakhs)**	**Description(including asset pledged)**
1	Standard Chartered Bank CC Accoun	9.50%	Cash Credit	616.79	On demand	1,200.00	Hypothecation of Stock 25% margin, Hypothecation of Receivables not more than 90 Days with 50% margin Charge on various residential and commercial properties, as well as Industrial Property. Ad Hoc Limit of 1.25 cr was availed during the current Financial Year.
2	Kotak Mahindra Bank	9.23%	Vehicle Loan	9.08	36 Months	25.00	Auto Loan
3	SCB ECL TL - 005318764	9.50%	Term Loan	28.17	47 Months	78.00	Exclusive Second hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as Industrial Property.
4	SCB TL - IF005207137	10.06%	Term Loan	-	46 Months	147.15	Exclusive First hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as Industrial Property.
5	SCB TL - IF005368653	10.43%	Term Loan	239.63	64 Months	800.00	
6	SIDBI LOAN	9.05%	Term Loan	101.18	78 Months	296.00	All the movable properties of the Borrower pertaining to the project of the Borrower as described in this agreement and situated at Block no.314, Plot No. 193, 194 & 195, Rajhans Texpa, NH-8, Village- Baleshvar, Palsana, Surat, Gujarat-394317, India', including, but not limiting to, its movable, plant, machinery, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures, and all other movable, both present and future (save and except book debts)
7	SIDBI LOAN	9.20%	Term Loan	67.20	54 months	140.00	Hypothecation of movable properties situated at various Industrial Plots
8	SIDBI LOAN	8.40%	Term Loan	73.19	60 Months	104.01	Hypothecation of movable properties situated at various Industrial Plots
9	ICICI Bank Limited	9%	Overdraft	245.83	On Demand	250.00	Hypothecation of Moveable Properties, Current Assets, Receivables, Mortgage of Immovable Property, Corporate Gurarntee from SKFL
10	ICICI Bank Limited	9%	Term Loan	1,151.55	74 Months	2,529.51	Hypothecation of Moveable Properties, Current Assets, Receivables, Mortgage of Immovable Property, Corporate Gurarntee from SKFL
11	ICICI Bank Limited	9%	Term Loan	211.25	60 Months	443.80	Hypothecation of Moveable Properties, Current Assets, Receivables, Mortgage of Immovable Property, Corporate Gurarntee from SKFL
12	ICICI Bank-4826 ZESTO (Solar)	8.00%	Term Loan	60.00	84 Months	60.00	Hypothecation of Immovale Fixed Assets situated at Sub-Plot No. 1, (as per site Plot No. 8),, Rajhans Zesto, Phase 2,, Vesma, Jalalpore, Navsari, Navsari, Gujarat, India, 396445 including all Current Assets and Movable Fixed Assets of the Borrowee
13	ICICI Bank-9776 ZESTO (Solar)	8.00%	Term Loan	250.00	84 Months	250.00	
14	ICICI Bank ZESTO -199	8.00%	Term Loan	350.00	84 Months	350.00	
15	ICICI Bank ZESTO -458	8.00%	Term Loan	350.00	84 Months	350.00	
16	ICICI Bank ZESTO -549	8.00%	Term Loan	100.00	84 Months	100.00	
17	ICICI Bank CC	8.00%	Cash Credit	3,392.94	On demand	3,500.00	Hopthecation of Stock and Mortgage of Plot No. 8, Rajhans Zesto, Phase-II, Jalalpore Navsari
Unsecured Loans from related parties:							
18	Manoj Kumar Karnani	0.00%	Unsecured Loan	383.81	On demand	536.49	NA
19	Radheshyam Daga	0.00%	Unsecured Loan	610.34	On demand	771.05	NA
20	Rajiv Lakhotia	0.00%	Unsecured Loan	852.90	On demand	927.51	NA
21	Raj Kumar Agarwal	0.00%	Unsecured Loan	13.23	On demand	165.40	NA
22	Mukta Lakhotia	0.00%	Unsecured Loan	6.00	On demand	-	NA
Unsecured Loans from others				710.23	On demand	-	NA
TOTAL				**9,823.32**			

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Note 10(A) Loan Details as on 31st March, 2025							
Sl No.	**Name of the Lender**	**Rate if Interest**	**Nature of Loan**	**Amount as on 31.03.25 (Rs. In Lakhs)**	**Repayment Term(including moratorium period**	**Loan Financed (Rs. In Lakhs)**	**Description(including asset pledged)**
1	Standard Chartered Bank CC Accoun	10.50%	Cash Credit	1,186.39	On demand	1,200.00	Hypothecation of Stock 25% margin, Hypothecation of Receivables not more than 90 Days with 50% margin Charge on various residential and commercial properties, as well as Industrial Property. Ad Hoc Limit of 1.25 cr was availed during the current Financial Year
2	HDFC Bank LTD	7.50%	Vehicle Loan	2.79	37 Months	23.33	Light Commercial Vehicle Loan
3	HDFC Bank LTD Car Loan	8.30%	Vehicle Loan	3.00	39 Months	15.06	Auto Loan
4	Kotak Mahindra Bank	9.23%	Vehicle Loan	17.37	36 Months	25.00	Auto Loan
5	SCB ECL TL - 005318764	9.50%	Term Loan	54.16	47 Months	78.00	Exclusive Second hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as
6	SCB TL - IF005207137	10.06%	Term Loan	30.66	46 Months	147.15	Exclusive First hypothecation charge on the firm's entire current assets, Plant & Machinery both present and future. Charge on various residential and commercial properties, as well as Industrial Property.
7	SCB TL - IF005368653	10.43%	Term Loan	399.39	64 Months	800.00	
8	SIDBI LOAN	9.10%	Term Loan	150.50	78 Months	296.00	All the movable properties of the Borrower pertaining to the project of the Borrower as described in this agreement and situated at Block no.314, Plot No. 193, 194 & 195, Rajhans Texpa, NH-8, Village- Baleshvar, Palsana, Surat, Gujarat-394317, India', including, but not limiting to, its movable, plant, machinery, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures, and all other movable, both present and future (save and except book debts)
9	SIDBI LOAN	8.85%	Term Loan	98.40	54 months	140.00	Hypothecation of movable properties situated at various Industrial Plots
10	SIDBI LOAN	8.40%	Term Loan	96.30	60 Months	104.01	Hypothecation of movable properties situated at various Industrial Plots
11	ICICI Bank CC	9.00%	Cash Credit	2,453.03	On demand	2,500.00	Hopthecation of Stock and Mortgage of Plot No. 8, Rajhans Zesto, Phase-II, Jalalpore Navsari
12	ICICI Bank Ad HOC	11.00%	Temporary Overdraft	200.00	30 Days	200.00	
13	ICICI Bank Limited	9%	Overdraft	244.09	On Demand	250.00	Hypothecation of Moveable Properties, Current Assets, Receivables, Mortgage of Immovable Property, Corporate Gurarntee from SKFL
14	ICICI Bank Limited	9%	Term Loan	1,404.35	74 Months	2,425.00	Hypothecation of Moveable Properties, Current Assets, Receivables, Mortgage of Immovable Property, Corporate Gurarntee from SKFL
15	ICICI Bank Limited	9%	Term Loan	277.96	60 Months	443.80	Hypothecation of Moveable Properties, Current Assets, Receivables, Mortgage of Immovable Property, Corporate Gurarntee from SKFL
Unsecured Loans from related parties:							
16	Manoj Kumar Karnani	0.00%	Unsecured Loan	534.42	On demand	536.49	NA
17	Radheshyam Daga	0.00%	Unsecured Loan	760.95	On demand	771.05	NA
18	Rajiv Lakhotia	0.00%	Unsecured Loan	997.10	On demand	927.51	NA
19	Raj Kumar Agarwal	0.00%	Unsecured Loan	220.02	On demand	165.40	NA
20	Radheshyam Daga HUF	0.00%	Unsecured Loan	25.05	On demand	-	NA
21	Rajiv Lakhotia HUF	0.00%	Unsecured Loan	239.95	On demand	-	NA
22	Ansh Lakhotia Trust	0.00%	Unsecured Loan	14.37	On demand	-	NA
23	Mukta Lakhotia	0.00%	Unsecured Loan	6.27	On demand	-	NA
Unsecured Loans from others				898.86	On demand	-	NA
TOTAL				**10,315.39**			

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Ageing for Trade Payables (Refer note 11)

Particulars	Ageing For Trade Payables Outstanding As At 31st March, 2026				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME*	107.74	-	-	-	**107.74**
Others	2,359.16	249.90	-	6.43	**2,615.49**
Disputed Dues- MSME*	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-

Particulars	Ageing For Trade Payables Outstanding As At 31st March, 2025				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME*	190.23		-	-	**190.23**
Others	2,635.57	0.30	6.43	-	**2,642.30**
Disputed Dues- MSME*	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Note:
The information regarding amounts due to creditors registered under the Micro, Small and Medium Enterprises Development Act, 2006, has been given to the extent available with the Company. The required disclosures of outstanding dues of micro, small & medium enterprises are as under:

	As at March 31, 2026	As at March 31, 202
(a) Principal amount remaining unpaid as at 31st March	107.74	190.23
(b) Interest amount remaining unpaid as at 31st March	4.71	-
(c) Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	NIL	NIL
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development	NIL	NIL
(e) Interest accrued and remaining unpaid as at 31st March	NIL	NIL
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	NIL	NIL

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Ageing for Trade Receivables (Refer note 18)

Particulars	Ageing For Trade Receivables Outstanding As At 31st March, 2026					
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed trade receivables- considered good	4,750.63	271.91	80.41	95.93	1.03	5,199.91
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables- considered doubtful	-	-	-	-	-	-
Total	**4,750.63**	**271.91**	**80.41**	**95.93**	**1.03**	**5,199.91**

Ageing for Trade Receivables (Refer note 18)

Particulars	Ageing For Trade Receivables Outstanding As At 31st March, 2025					
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed trade receivables- considered good	4,337.01	628.48	218.34	30.18	-	5,214.01
Undisputed trade receivables- considered doubtful	-	-	2.86	-	-	2.86
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables- considered doubtful	-	-	-	-	-	-
Total	**4,337.01**	**628.48**	**221.19**	**30.18**	**-**	**5,216.86**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

14 PROPERTY, PLANT AND EQUIPMENTS

Particulars	Gross Block				Depreciation				Impairment	Net Block	
	As at 01.04.2025	Additions during the year	Deduction during the year	As at 31.03.2026	As at 01.04.2025	Additions during the year	Deduction during the year	As at 31.03.2026		As At 31.03.2026	As At 31.03.2025
Tangible Assets											
Plant & machinery	2,316.71	1,489.12	150.81	3,655.01	419.98	220.56	8.28	632.27	4.35	3,018.39	1,896.72
Computer & Peripherals	33.53	22.58	0.43	55.67	20.70	10.11	0.24	30.58	-	25.09	12.82
Motor Vehicles	117.51	-	-	117.51	33.01	18.43	-	51.44	-	66.08	84.51
Furniture & Fittings	90.93	101.65	4.19	188.39	14.24	14.93	0.28	28.88	2.03	157.48	76.69
Office equipment	162.15	85.86	0.56	247.45	62.08	40.64	0.09	102.63	0.45	144.37	100.07
Plot (Non depreciable)	526.52	0.72	85.31	441.93	-		-	-	-	441.93	526.52
Building on Plot	274.14	3,939.99	0.38	4,213.74	12.35	112.04	-	124.39	-	4,089.35	261.79
Total	**3,521.48**	**5,639.91**	**241.69**	**8,919.71**	**562.36**	**416.71**	**8.89**	**970.19**	**6.83**	**7,942.69**	**2,959.12**
Total (Previous Year)	**2,812.17**	**707.19**	**-**	**3,521.48**	**383.48**	**178.88**	**-**	**562.36**	**-**	**2,959.12**	**2,428.70**

Intangible Asset											
Water Treatment Right	466.00	6.17	31.00	441.17	85.04	81.70	-	166.74	-	274.44	380.96
Software	4.87	4.00	0.35	8.52	0.74	0.47	-	1.20	-	7.31	4.13
Other Intangible Assets				-				-	-		
Total	**470.87**	**10.17**	**31.35**	**449.69**	**85.77**	**82.17**	**-**	**167.94**	**-**	**281.75**	**385.09**
Total (Previous Year)	**35.52**	**437.47**	**-**	**470.87**	**13.03**	**72.74**	**-**	**85.77**	-	**385.09**	**22.48**

Block Of Assets	Rate %	As at 01.04.2025	Addition		Sale	Profit/(loss)	SUBSIDY	Depreciation	As At 31.03.2026
			Before. Sep	After Sep.		On Sale			
Depreciable Assets									
Plant & Machinery	15%	2,044.66	128.34	6.09	130.34	25.54	224.49	315.51	1,534.28
Computer & Computer Peripherals	40%	1.32	0.46	-	-	-	-	0.71	1.07
Furniture & Fixtures	40%	9.08	-	-	-	-	-	0.91	8.17
Furniture & Fixtures	10%	1.01	-	-	-	-	-	0.40	0.61
Solar Plant	40%	-	345.26	-	-	-	-	138.10	207.16
Non Depreciable Assets									
Land & Building		301.11	-	-	-	-	-	-	301.11
Grand Total		**2,357.17**	**474.06**	**6.09**	**130.34**	**25.54**	**224.49**	**455.64**	**2,052.38**
TOTAL (Previous Year)		**2,622.64**	**88.77**	**3.15**	**-**	**-**	**-**	**2,052.38**	**2,357.17**

Note:

i) Title Deeds of Immovable Property not held in the Name of Company:

Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company
Plot 280 admeasuring 162.13 sq.vaar namely 135.56 sq,mt located in Surat District, Palsana Sub District,Village Baleshwar	6.36	Modsingh Jawahsingh Rajput	No	04-08-2022	The land in question, though not yet formally conveyed through a registered sale deed, qualifies as an asset of the complainant's company on equitable and factual grounds. The company paid the entire sale consideration to the sellor, evidenced by a detailed payment diary, and was given direct possession of the land in part-performance of the sale agreement under Section 53A of the Transfer of Property Act. The company has done construction, purchased registration fee and stamp paper, and initiated bank loan formalities for development of the property. Since possession, payment, and investment all vest with the company, the property is recognised as an asset of the company. The sellor is holding only registered title pending execution of the final sale deed against the company has filed a complaint with the concerned authorities.
Building on Plot 280	79.91				

ii) Benami Property :

There is no proceeding initiated or pending against the company for holding any benami property under Benami Transaction (Prohibition) Act 1988.

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Note 14 : Capital Work in Progress (Continued)
Schedule for the year ended March 31, 2026

Description	As at 31-03-2025	Addition during the period	Sales/Capitalised	As at 31-03-2026
Capital Work-in-Progress	3,143.95	-	3,143.95	-
Total	**3,143.95**	**-**	**3,143.95**	**-**

Ageing for capital work-in-progress as at March 31, 2026 is as follows:
Capital work-in-progress

Projects in progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2years	2-3years	More than 3 years	
			-	-	-
	-	**-**	**-**	**-**	**-**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan. Further there are no projects which are temporarily suspended.

Note:
i) There are no intangible assets which are under development as at March 31, 2026

Schedule for the year ended March 31, 2025

Description	As at 31-03-2024	Addition during the period	Sales/Capitalised	As at 31-03-2025
Capital Work-in-Progress	331.23	2,812.72	-	3,143.95
Total	**331.23**	**2,812.72**	**-**	**3,143.95**

Ageing for capital work-in-progress as at March 31, 2025 is as follows:
Capital work-in-progress

Projects in progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2years	2-3years	More than 3 years	
	2,812.72	331.23	-	-	3,143.95
	2,812.72	**331.23**	**-**	**-**	**3,143.95**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan. Further there are no projects which are temporarily suspended.

Note:
i) There are no intangible assets which are under development as at March 31, 2025

SHREE KARNI FABCOM LIMITED

Notes forming part of the Consolidated Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

Note "15" - Investment		
Particulars	**As at March 31, 2026**	**As at March 31, 2025**
	Rs. In lakhs	**Rs. In lakhs**
Unquoted Investments, Considered Good		
Venture Capital and Angel Funds		
Artha Venture	100.82	100.82
Artha Select Fund	30.00	20.00
Artha Venture Fund I	72.58	74.42
LV Angel Fund Flox F1	5.00	5.00
LV Angel Fund kaching Ii	4.00	4.00
LV Angel Fund Glampusa P I	4.00	4.00
INVSTT Seeders Bima Plan- I	10.24	10.24
Total	**226.64**	**218.48**
Investment in Subsidiary LLP		
IGK Technical Textiles LLP	0.00	-
Investment in Associate LLP		
Textron Fabtech LLP	84.94	84.55
Total	**311.58**	**303.03**

Aggregate amount of quoted investments and market value thereof	**-**	**-**
Aggregate amount of unquoted investments	**311.58**	**303.03**
Aggregate provision for diminution in value of investments	**-**	**-**

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

		As at March 31, 2026	As at March 31, 2025
30	**Contingent Liabilities and Capital commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)*	223.11	233.11
	Other commitments relating to settlement of litigation disputes	-	-

***The Comapnay has given capital Commitment in form of investment to certain funds.**

31 **Certain trade receivables ,loans & advances and creditors are subject to confirmation. In the opinion of the management, the value of trade receivables and loans & advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.**

		As at March 31, 2026	As at March 31, 2025
32	**Earnings per share (EPS) as per AS 20**		
	Calculation of weighted average number of equity shares of Rs 10 each fully paid up:		
	Number of equity shares at the beginning of the year	70,72,000	70,72,000
	Total number of equity shares outstanding at the end of the year-A	72,28,750	70,72,000
	Weighted average number of equity shares outstanding during the year –B	72,28,750	70,72,000
	Net profit attributable to equity shareholders for calculation of basic EPS – C(Rs. In Lakhs)	1,523.54	1,510.64
	Basic and Diluted EPS (Rs.) (C/B)(Based on weighted average number of shares)	21.08	21.36
	Basic and Diluted EPS (Rs.) (C/A)(Based on shares at the end of year)	21.08	21.36

The Company has considered the impact of all Potential equity shares while computing Diluted Earnings Per Share in accordance with the applicable accounting standards. However, the effect of such potential equity shares is anti-dilutive and therefore has been ignored in the computation of Diluted EPS. Consequently, the Diluted Earnings Per Share is the same as the Basic Earnings Per Share for the year.

33 **Disclosure on Corporate Social Responsibility Expenses**

S.No.	Particulars	As at March 31, 2026	As at March 31, 2025
i	Gross amount required to be spent by the Company during the year in pursuance to the provisions of Section 135 of the Companies Act, 2013 and rules made there under :	28.65	39.67
ii	Amount spent for the financial year	2.19	7.92
iii	Excess amount spent for the financial year [available for set off in succeeding financial years]	26.46	31.75

Description of Nature of Activities
1 Promoting Children Education
2 Promoting Health Care
3 Setting Up Homes for Orphans
4 Animal Welfare
5 Eradicating poverty, huger and malnutrition, promoting health care which includes sanitation and preventive health care for the promotion of sanitation

34 **Contingencies and Events occurring after the Balance Sheet Date**
There were no events which occurred after the Balance Sheet date up to the date of approval of financial statements which required

35 **Foreign currency transactions**

The company has made foreign currency transaction during the period under consideration.

S. No.	Currency	Particulars	As at March 31, 2026		As at March 31, 2025	
		Nature of Transactions	Foreign Denomination	Amount (Rs. In Lakhs)	Foreign Denomination	Amount (Rs. In Lakhs)
1	USD	Import of Goods	32,44,670.70	2,895.10	15,17,353.35	1,297.26
2	USD	Import of Machinery	-	-	1,00,400.00	86.95
3	USD	Export of Goods	27,28,344.27	2,365.89	17,25,991.00	1,489.15
4	USD	Travelling & Lodging	150.00	0.14	-	-
5	IDR		49,000.00	0.27	-	-
6	MYR		350.00	0.08	-	-
7	THB		700.00	0.02	-	-
Grand Total			**60,23,214.97**	**5,261.50**	**33,43,744.35**	**2,873.36**

Note : The foreign Currency amount are in absolute figures.

36 **Segment Information**
The company operates in a single reportable primary segment (Business segment) i.e. Trading and Manufacturing of technical textiles, knitted and
No other operating segments have been aggregated to form the above reportable operating segments as per the criteria specified in the AS-17.
Business Segment wise / Geographical Segment wise revenue/results/assets/liabilities
Since there is Single Reportable Operating Segment hence disclosure of Operating Segment wise Assets, Liabilities, Revenue and Results are not applicable.

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

37 Related party transactions as required in terms of AS-18

a) Key management personnel ('KMP')

1.Manoj Kumar Karnani	*Whole Time Director*
2. Radhe Shyam Daga	*Whole Time Director*
3. Raj Kumar Agarwal	*Whole Time Director*
4. Rajiv Lakhotia	*Managing Director*
5. Arbind Kumar Lahoty	*CFO*
6. Dhiraj Ramkishor Vaishnav	*Company Secretary*
7. Jyoti Chitralingia*	*Company Secretary*

*Jyoti Chitralingia ceases to be Company Secretary w.e.f., May 29th, 2024

b) Subsidiary, Joint Venture & Associates

1. IGK Technical Textiles LLP	*Subsidiary*
2. Textron Fabtech LLP	*Associate*

c) Entities in which KMP and their relatives can exercise significant influence

Name of the KMP*	Entities in which KMP exercise significant influence
1. Manoj Kumar Karnani	*a. IGK Technical Textiles LLP* *b. International Trade Link* *c. Shreeji Fabrics*
2. Radhe Shyam Daga	*a. Textron Fabtech LLP* *b. Aaradhaya Impex* *c.IGK technical Textiles LLP*
3. Raj Kumar Agarwal	*a. IGK technical Textiles LLP* *b. Bright Future Exports*
4. Rajiv Lakhotia	*a. IGK technical Textiles LLP* *b.Textron Fabtech LLP* *c. Shreeji Fabrics*

*KMP includes KMP and their relatives

d)Transactions with related parties during the year have been set out below
Interest expense
Key management personnel ('KMP')

S.No.	Name of KMP	As at March 31, 2026	As at March 31, 2025
	- Directors		
1	Manoj Kumar Karnani	60.00	87.00
2	Radhe Shyam Daga	60.00	87.00
3	Raj Kumar Agarwal	60.00	87.00
4	Rajiv Lakhotia	60.00	87.00
		240.00	**348.00**
	- Other KMPs		
5	Arbind Kumar Lahoty	6.00	6.00
6	Dhiraj Ramkishor Vaishnav	5.13	3.31
7	Jyoti Chitralingia	-	0.57
		11.13	**9.88**
1	Manoj Kumar Karnani	-	0.08
2	Radhe Shyam Daga	-	-
3	Rajiv Lakhotia	7.12	6.57
4	Raj Kumar Agarwal	2.68	4.16
	Total	**9.80**	**10.81**

Interest expense

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Radhe Shyam Daga HUF	0.76	-
2	Rajiv Lakhotia HUF	10.83	3.05
3	Manoj Kumar Karnani HUF	-	17.31
	Total	**11.59**	**20.36**

Purchases

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	International Trade Link	-	54.31
2	Textron Fabtech LLP	2.27	450.49
3	IGK Technical Textiles LLP	1,546.04	-
4	Bright Future Exports	254.87	307.90
5	Shreeji Fabrics	100.54	12.19
6	Aaradhya Impex	1.90	1.35
	Total	**1,905.62**	**826.24**

Sales

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	International Trade Link	-	-
2	Textron Fabtech LLP	-	104.31
3	IGK Technical Textiles LLP	47.86	-
4	Bright Future Exports	-	-
5	Shreeji Fabrics	5.95	-
6	Aaradhya Impex	23.76	52.86
	Total	**77.57**	**157.17**

Rental Income

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Textron Fabtech LLP	-	3.54
2	IGK Technical Textiles LLP	0.05	-
	Total	**0.05**	**3.54**

Loan Taken

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Radheshyam Daga HUF	3.66	131.05
2	Rajiv Lakhotia HUF	10.83	234.81
	Total	**14.49**	**365.86**

Loan Repaid

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Textron Fabtech LLP	-	-
2	Radheshyam Daga HUF	28.71	106.01
3	Rajiv Lakhotia HUF	250.78	1.73
4	Manoj Kumar Karnani HUF	50.00	-
	Total	**329.49**	**107.74**

Loan Taken

Key management personnel ('KMP') - -

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Manoj Kumar Karnani	50.00	8.08
2	Radheshyam Daga	10.00	43.92
3	Rajiv Lakhotia	7.12	90.06
4	Rajkumar Agarwal	2.68	29.00
	Total	**69.80**	**171.06**

Loan Repaid

Key management personnel ('KMP')

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Manoj Kumar Karnani	50.00	12.89
2	Radheshyam Daga	10.00	32.66
3	Rajiv Lakhotia	0.71	73.07
4	Rajkumar Agarwal	58.86	29.00
	Total	**119.57**	**147.61**

e) Balances at the year end

Loan Taken

Entities in which KMP can exercise significant influence - -

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Radheshyam Daga HUF	-	25.05
2	Rajiv Lakhotia HUF	-	239.95
	Total	**-**	**265.00**

Loan Taken

Key managerial Personnel

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Manoj Kumar Karnani	383.81	534.42
2	Radheshyam Daga	610.34	760.95
3	Rajiv Lakhotia	852.90	997.10
4	Rajkumar Agarwal	13.23	220.02
	Total	**1,860.28**	**2,512.49**

Rent Payable

Entities in which KMP can exercise significant influence

Trade Receivables

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	Textron Fabtech LLP	-	3.64
2	Shreeji Fabrics	6.56	-
3	Aaradhya Impex	6.00	-
	Total	**12.55**	**3.64**

Trade Payables

Entities in which KMP can exercise significant influence

S.No.	Name of Entities	As at March 31, 2026	As at March 31, 2025
1	International Trade Link	-	54.31
2	Textron Fabtech LLP	183.20	186.99
3	IGK Technical Textiles LLP	15.98	-
4	Bright Future Exports	116.34	-
5	Shreeji Fabrics	44.60	7.96
	Total	**360.12**	**249.26**

There are no investments by the company other than those stated under Note No. 15 in the financial statements.

f) Guarantee given	*As at March 31, 2026*	*As at March 31, 2025*
To secure obligation of other related parties	There is Corporate Guarantee given to ICICI bank on behalf of IGK Technical Textiles LLP.	There is Corporate Guarantee given to ICICI bank on behalf of IGK Technical Textiles LLP.

g) Security given

The Land bearing plot no- 281,282,288,284,285,286,283 of Shree Karni Fabcom Limited is mortgaged to ICICI bank on behalf of Loan taken for

In the opinion of the Board of Directors and to the best of their knowledge and belief, the valuation on realisation of financial assets and other assets in the ordinary course of business would not be less than the amount at which they are stated in the financial statements.

38 Labour Codes — Compliance and Impact on Employee Benefits

On November 21, 2025, the Government of India notified four Labour Codes, effective immediately, consolidating and replacing 29 existing labour laws. The Company has completed its salary restructuring exercise in compliance with the requirements of the said Labour Codes. Accordingly, the past service cost, if any arising therefrom has been recognised in the Statement of Profit and Loss for the year, in the manner prescribed under AS 15 and consistent with the guidance issued by the Institute of Chartered Accountants of India (ICAI).

The impact of the said restructuring on the Company's employee benefit obligations is immaterial.

39 Based on the recommendation of Nomination and Remuneration Committee the Board of Directors appointed Mr Pankaj Kumar Mohta as an Independent Director of the Company with effect from (08.09.2025) to fill the casual vacancy caused by the demise of Mr Sriyans Lunia (Independent Director). The Board is of the opinion that the Independent Director possesses the requisite expertise, integrity and experience relevant to the Company's business.Mr Pankaj Kumar Mohta is a Qualified Chartered Accountant and Company Secretary with over 12 years of comprehensive experience in Company Audit, Corporate Laws, Direct Taxes, GST matters, Outsourced Accounting & Financial Statements and Regulatory Compliances with proven track record in delivering quality professional services across diverse industry sectors with strong expertise in statutory compliance and tax.

40 The Company is in the process of strategic restructuring of its Stitching Division to optimize operational capabilities. As on the balance sheet date, the transition is progressively underway, including the relocation of asset infrastructure and the orderly settlement of outstanding liabilities and any other pending transactions.

SHREE KARNI FABCOM LIMITED

Notes forming part of the Consolidated Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

41. Gratuity

Valuation Results	**Amount**
Discontinuance Liability	80.91
Defined Benefit Obligation	69.78
Funding Status	Unfunded
Fund Balance	-
Current Liability	0.63
Non-Current Liability	69.14
VALUATION ASSUMPTIONS	
1. Demographic Assumptions	
Mortality & Disability:	In order to consider the case where termination of the employment of any employee is due to death or permanent disablement, we have used mortality rates as given under Indian Assured Lives Mortality 2012-14 (Urban). The rates are assumed to include permanent disablement.
Extract of Mortality Rates(Indian Assured Lives Mortality 2012-14 (Urban)): Age Rate	
18	0.000675
25	0.000941
35	0.001253
45	0.002688
55	0.006576
65	0.013526

Summary and Comparison of Valuation Assumptions		
Date of Valuation	**31-03-2026**	**31-03-2025**
Demographic Assumptions		
Mortality Rate:	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement Age:	58 Years	58 Years
Attrition Rate:	6.00% p.a. for all service groups.	6.00% p.a. for all service groups.
Financial Assumptions		
Salary Escalation Rate:	8.00% p.a.	8.00% p.a.
Discount Rate:	7.36% p.a. (Indicative G.Sec referenced on 30-03-2026)	6.79% p.a. (Indicative G.Sec referenced on 28-03-2025)

Assumptions	**Change in DBO**
Delta Effect of +1.00% Change in Rate of Discounting	-7.88
Delta Effect of -1.00% Change in Rate of Discounting	9.45
Delta Effect of +1.00% Change in Rate of Salary Increase	9.19
Delta Effect of -1.00% Change in Rate of Salary Increase	-7.90
Delta Effect of +1.00% Change in Rate of Employee Turnov	-2.54
Delta Effect of -1.00% Change in Rate of Employee Turnov	2.68

Retirement Age:	Retirement Age is the age at which persons who hold certain jobs or offices are required by Entity's rule or by law to leave their employment. We have considered the retirement age for all employees as 58 years, as advised by the Entity. Anyone having age more than the retirement age is assumed to be retiring immediately.
Attrition Rate:	Attrition rate represents employee turnover other than on account of retirement, death or permanent disablement. Attrition rate is dependent on the nature of business carried out by the Entity and the retention policy of the Entity. Attrition rates are applied at the beginning of each future year. We have considered the Service related attrition rate as tabulated below, as advised by the Entity.
Service related band	**Attrition Rate**
For All Bands	**6.00 % p.a.**
2. Financial Assumptions	
Discount Rate:	The rate used to discount post-employment benefit obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate as 7.36% p.a. which relates to the par-yield rate available on Government Securities (G. Sec.) for the tenure of 12.00 years i.e. the expected term of the obligation. The rate is taken as per the deal rate as on 30-03-2026 as suggested under Accounting Standard 15 (AS 15) Revised 2005. (Ref: G Sec. rates available through www.fbil.org.in). The expected term of the obligation is represented by the average expected future service.
Salary Escalation Rate:	Since the Gratuity payments are to be made on the salary at the time of separation, liability to pay such Gratuity is based on the salary which the employee will be drawing at the time of exit; so, it is necessary to arrive at figures which would reflect the salaries of members in the future years. Estimates of future salary increases have been done on the basis of current salary suitably projected for future, beginning one year after the valuation date, the period is validated based on the available information as to the salary revision date other than the date one year after the valuation date, taking into consideration the general trend in inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. We have considered the salary escalation rate as tabulated below, as advised by the Entity.

Future Years	**Salary Escalation Rate**
For All Future Years	**8.00 % p.a.**
3.Reasonableness of Assumptions	The escalation assumptions and attrition rate assumption are the expectations of the Entity based on the escalation that the Entity expects to experience in future and the expected attrition rate in the future. A detailed analysis of experience with regards to these assumptions has not been conducted. However, the importance, implication and broad guidelines of these assumptions were shared with the entity and the entity opined on the assumptions to be used, considering the suggestions, the outlook of the Entity and other economic scenarios. Thereby, the assumptions given by Entity have been relied upon and deemed reasonable as per explanation given by the Entity. However, we recommend an experience analysis be carried out periodically for the purpose of validating the assumptions. The assumption with regards to the discount rate has been considered as per the requirements of the Accounting Standard. No separate analysis of the mortality rate for the Entity was deemed necessary to be undertaken, hence we have considered an appropriate standard mortality table available. Suitable adjustments and improvements have been applied where necessary. The results may be particularly sensitive to some assumptions, such as the discount rate and escalation. Quantum of these sensitivities have been provided under the Valuation Results section where appropriate.
Materiality	Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. We have assumed that while providing the assumption, materiality of the assumptions has been considered by the Entity. The results of the valuation were shared with the Entity, and this Report is prepared in accordance with the constructive confirmation on the actuarial valuation summary specifying the data, assumptions and benefit scheme for the same.
Gratuity is payable to all the eligible employees at the rate of 15 days salary for each year of service, subject to a payment ceiling of INR 2,000,000.	

Vesting period :	5 years
Gratuity shall be payable to an employee on termination of employment due to superannuation, retirement, resignation, death or permanent disablement after successful completion of the vesting period, if applicable. However, the completion of vesting period is not applicable in the case where termination of employment is due to death or permanent disablement.	
Method of Valuation	To calculate the Defined Benefit Obligation (DBO) we have used the Projected Unit Credit Method which is suggested under Accounting Standard 15 (AS 19) Revised 2005. Under this method, accrued benefit amount is projected to calculate future expected cashflows by applying various valuation assumptions as described above and guidance given in the Accounting Standard, which is in turn discounted back at applicable discount rate assumption to arrive at present value of benefit obligation. (Refer FAQs for more detail) For the purpose of calculation, the past service is rounded up to 4 decimal places. Suitable application of the INR 2,000,000 ceiling has been considered when conducting the valuation.

SHREE KARNI FABCOM LIMITED

Notes forming part of the Consolidated Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

42. RECONCILATION OF QUARTERLY RETURN FILED BY COMPANY TO THE BANK AND BOOKS OF ACCOUNTS F.Y 2025-26

Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q1	Trade receivables (Less than 120 days)	4,101.90	4,119.13	-17.23	Please see note below
	Trade receivables (More than 120 days)	915.30	915.95	-0.65	
	Trade Payable	2,700.00	2,725.06	-25.06	
	Stock	4,061.70	4,074.79	-13.09	
	Total Revenue	5,068.00	5,008.41	59.59	
Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q2	Trade receivables (Less than 120 days)	4,296.10	4,338.86	-42.76	Please see note below
	Trade receivables (More than 120 days)	687.80	726.42	-38.62	
	Trade Payable	3,312.90	3,127.79	185.11	
	Stock	5,033.90	5,029.97	3.93	
	Total Revenue	10,708.60	10,709.01	-0.41	
Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q3	Trade receivables (Less than 120 days)	4,554.50	4,527.62	26.88	Please see note below
	Trade receivables (More than 120 days)	822.10	846.91	-24.81	
	Trade Payable	3,765.00	3,759.38	5.62	
	Stock	5,655.90	5,663.18	-7.28	
	Total Revenue	15,782.10	15,782.14	-0.04	
Quarter	Particulars	Amount as per Statement Provided to bank (A)	Amount as per book (B)	Difference (A-B)	Reason
Q4	Trade receivables (Less than 120 days)	4,402.80	4,314.91	87.89	Please see note below
	Trade receivables (More than 120 days)	528.50	584.64	-56.14	
	Trade Payable	2,282.30	2,120.05	162.25	
	Stock	6,406.80	6,737.52	-330.72	
	Total Revenue	20,568.60	20,533.48	35.12	

Note

Final data was not available with the Company regarding the credit note and debit note at the time of submitting DP statement to the bank. The Revenue and Trade receivable for the purpose of DP statement were calculated by the Company on the basis of data available at that time, However, the final entries were made later on, on the basis of which the books of accounts are reconciled and updated accordingly, because of which the actual figures as per books of accounts and as per DP statement vary.

SHREE KARNI FABCOM LIMITED

Notes forming part of the Consolidated Financial Statements as at 31st March, 2026

(Currency: Rs. In lakhs)

43. Ratio Analysis

Ratio	Numerator	Denominator	Current Period as on 31.03.2026	Previous Period as on 31.03.2025	Variance %	Remarks
Current ratio (in times)	Total current assets	Total current liabilities	1.26	1.12	12.22	NA
Debt-equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.89	1.24	-28.28	The increase is primarily attributable to a rise in Reserve and Surplus in the current year.
Debt service coverage ratio (in times)	Earning for Debt Service= Net Profit before taxes+ Non cash operating expenses+ Interest+Other non cash adjustments	Debt service = Interest payments+Principal repayments	2.64	2.99	-11.48	NA
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	0.16	0.20	-21.22	NA
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	3.42	3.83	-10.71	NA
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.91	3.94	-0.83	NA
Trade payables turnover ratio (in times)	Cost of Purchases	Average trade payables	5.30	6.48	-18.22	NA
Net Capital turnover ratio (in times)	Revenue from operations	Average working capital(i.e. Total current assets less total current liabilities	9.42	7.38	27.57	Due to substantial increase in Average Working Capital
Net profit ratio (in %)	Profit for the year	Revenue from operations	7.49	9.05	-17.26	NA
Opearting Profit ratio (in %)	Operating Profit	Revenue from operations	0.13	0.15	-10.96	NA
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities+ Deferred tax liabilities	23.59	29.06	-18.82	NA

Note: While Calculation Total Equity, Share application money pending allotment and Share warrant money pending allotment has not been considered.

SHREE KARNI FABCOM LIMITED
Notes forming part of the Consolidated Financial Statements as at 31st March, 2026
(Currency: Rs. In lakhs)

Note 44-Other Statutory Information

i) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

ii) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami Property.

iii) The company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iv) The company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

v) The company has not traded or invested in Crypto currency or Virtual currency during the financial year.

vi) The Company has not advanced or loaned or invested any fund to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,

vii) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries); or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

viii) The Company do 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.

ix) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India during the year.

Note - 45

Previous year's figures have been regrouped and/or re-arranged wherever necessary, to conform the current year classification.

As per our annexed report of even date

For and on behalf of the Board

For Baid, Agarwal Singhi & Co.
Chartered Accountants
Firm's Registration No. with ICAI:0328671E

SHREE KARNI FABCOM LIMITED
(CIN : L47820GJ2023PLC140106)

Rajiv Lakhotia
Managing Director
DIN: 02939190

Manoj Kumar Karnani
Whole Time Director
DIN: 08156230

(Dhruv Narayan Agarwal)
Partner
Membership No.: 306940
Place : Kolkata
Date: 21st Day of May, 2026
UDIN: 26306940HCYKDW2453

Dhiraj Ramkishor Vaishnav
Company Secretary

Arbind Kumar Lahoty
CFO

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ANNUAL REPORT 2025-2026