

26 May, 2026

The Manager-Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block -G Bandra Kurla Complex, Bandra -East Mumbai-400051	Listing Department BSE Limited Phiroze Jeejeebhoy Towers 25 <sup>th</sup> Floor, Dalal Street Mumbai- 400001
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**Sub** : 34<sup>th</sup> Annual Report for the financial year 2025-26  
**Ref** : Scrip Code No.: PILITA/ 500327

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with amendments thereto, please find the enclosed copy of Annual Report of the Company for the financial year ended March 31, 2026.

The Annual Report is also available on the website of the Company i.e. [www.italica.com](http://www.italica.com).

Kindly take the above on your records.

Thanking you!

Yours faithfully,  
**For PIL ITALICA LIFESTYLE LIMITED**

**Narendra Bhanawat**  
**(Whole Time Director)**  
**DIN : 00146824**

Encl: As above.



**ITALICA**<sup>®</sup>  
KUCH TOH NAYA HAI!

Designing  
Comfort.  
Delivering  
Growth.

34<sup>TH</sup> ANNUAL REPORT  
2025-26

PIL ITALICA LIFESTYLE LIMITED

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## Forward Looking Statement

This document includes forward-looking statements pertaining to anticipated future events and the financial and operational outcomes of PIL Italica Lifestyle Limited ('PIL Italica' or 'PILL' or 'Company'). Given their nature, these forward looking statements necessitate our Company to make assumptions and are inherently susceptible to risks and uncertainties. There exists a prominent risk that the assumptions, predictions, and other forward-looking statements may not prove to be precise. Readers are advised against placing undue reliance on these forward-looking statements, as various factors could lead to is parities between assumptions and actual future results and events. Consequently, this document is subject to a disclaimer and is qualified in its entirety by the assumptions, qualifications, and risk factors outlined in the Management Discussion and Analysis section of our Company's Annual Report.



# Designing Comfort. Delivering Growth.

At Italica, comfort is not just a product feature — it is the foundation of everything we create. From homes and offices to hospitality, outdoor and public spaces, our products are designed to enhance everyday living through innovation, functionality and aesthetics. “Designing Comfort. Delivering Growth.” reflects the philosophy that drives Italica forward every day.

For over three decades, we have continuously evolved with changing lifestyles and consumer aspirations. By combining thoughtful design, quality manufacturing and customer-centric innovation, Italica has grown from a trusted plastic furniture brand into a comprehensive lifestyle solutions company.

At Italica, designing comfort goes beyond products. It defines the way we think, innovate, manufacture and serve our customers. Whether through premium product development, stronger distribution, modern manufacturing, faster supply chains or impactful branding initiatives — our focus remains on creating better experiences across every touchpoint. Delivering growth is the result of this mindset.

Growth for us means expanding responsibly, strengthening relationships, entering new markets, building future-ready capabilities and continuously raising industry benchmarks. It is reflected in our products, our people, our partnerships and our long-term vision for the brand.



Today, “Designing Comfort. Delivering Growth.” is more than a theme. It is a way of working at Italica — driven by innovation, powered by purpose and focused on building lasting value for customers, partners and stakeholders.

### FINANCIAL HIGHLIGHTS (FY 2025-26)



# Corporate Profile



## COMPANY OVERVIEW

Established in 1992, PIL Italica Lifestyle Limited has evolved significantly, shaping the plastic furniture sector in India. From its origins in Udaipur, Rajasthan, the Company has expanded its reach across the nation, with a corporate presence in Mumbai and operational offices in Delhi. PIL Italica also acquired a manufacturing unit in Silvassa from Kisan Mouldings Limited. As a publicly listed entity on the Bombay Stock Exchange and the National Stock Exchange, PIL Italica stands as a testament to enduring business excellence and a deep understanding of market dynamics.

PIL Italica is distinguished by its strategic approach to design and innovation, recognising the integral role of furniture and material handling products in enhancing living and work spaces. This philosophy is evident in the company's commitment to functional, durable, and aesthetically pleasing products. PIL Italica's dedication to quality is validated by its ISO 9001:2015 certification and distinction as the only Indian brand with CE-certified plastic furniture, reflecting its leadership in product excellence.



## VISION

To revolutionise modern living by offering superior plastic furniture, efficient material handling solutions and effective waste management products that combines aesthetics, durability & eco-friendliness, enriching homes, enhancing quality of life and promoting a cleaner, greener future.



## MISSION

To become the market leader in India in the next 5 years in plastic furniture, material handling solutions and waste management products by providing innovative, affordable, sustainable, and high-quality products that cater to the evolving tastes and needs of our customers. Through a commitment to excellence, exceptional craftsmanship and eco-friendly practices, we strive to enhance the living spaces and lifestyles of our customers and contribute to a cleaner environment.



## COMMITMENT TO QUALITY

PIL Italica is an ISO 9001:2015 certified company and stands as the only Indian brand with CE-certified plastic furniture. This distinction underscores its commitment to delivering quality products that meet international standards of durability and safety.



## ITALICA'S BRAND IDENTITY

The Italica brand represents innovation, quality, and customer-centricity. Built on principles of durability, comfort, style, and affordability, Italica has become one of India's most loved brands in lifestyle furniture.



KUCH TOH NAYA HAI!

## CORE VALUES DEFINING THE BRAND



### Innovation

Italica thrives on delivering cutting-edge designs and solutions that cater to evolving consumer needs. With a focus on functionality and aesthetics, the company consistently introduces innovative products redefining industry standards.



### Customer-Centricity

The brand prioritizes customer satisfaction by crafting products that combine practicality with style. Each offering is designed to enhance living spaces while providing lasting value, reflecting the company's deep understanding of market trends and consumer preferences.



### Quality

PIL Italica stands as a benchmark for quality and safety. This commitment ensures that every product meets stringent international standards.



### Sustainability and Responsibility

The brand emphasizes eco-friendly practices. Its dual focus on functionality and environmental responsibility aligns with its vision of promoting a cleaner, greener future.

JOURNEY SO FAR

# Milestones of Excellence

Since its inception in 1992, PIL Italica Lifestyle has embarked on a remarkable journey, evolving from a pioneering manufacturer of plastic furniture to a valued lifestyle brand. With a steadfast commitment to quality, innovation, and customer satisfaction, the company has consistently achieved milestones that reflect its vision of revolutionizing modern living. From establishing manufacturing excellence to embracing sustainability and expanding its product portfolio, PIL Italica's journey is a proof of its forward-thinking approach.

## 1992

### Solid Foundation

PIL Italica Lifestyle Limited was founded, laying the groundwork for innovation in the Indian plastic furniture industry.

## 1993

### Operational and Financial Strength

The Company inaugurated its manufacturing facility in Udaipur, Rajasthan, and listed its shares on the Bombay Stock Exchange (BSE), establishing a robust operational and financial foundation.

## 1994

### Early Growth

Listing on the National Stock Exchange (NSE) reinforced PIL Italica's market position, fostering investor trust and enabling sustained growth and product development.

## 2016

### Diversification and Expansion

The Company expanded its portfolio by introducing material handling products, marking a significant diversification into industrial solutions.

## 2017

### Industrial Crates Launch

PIL Italica began manufacturing industrial crates, catering to diverse industries such as agriculture, logistics, and e-commerce.

## 2018

### Innovation and Sustainability

Aligning with the Clean India movement, PIL Italica launched eco-friendly dustbins and storage bins. It also introduced the Spine Care Chair Series to address ergonomic needs, showcasing its commitment to innovation.

## 2019

### Strengthening Marketing Presence

A new marketing office was established in New Delhi to enhance the Company's presence in Northern India. The Plasteel Series was launched, offering stylish yet functional furniture solutions.

## 2020

### Strategic Partnerships and Product Development

The launch of the OXY Series — the first fully ventilated stackable chair in India — highlighted PIL Italica's innovative capabilities. A strategic collaboration with Kisan Mouldings Limited expanded distribution channels and enabled exclusive marketing & distribution of "Kisan Crest Brand" for Plastic Moulded Furniture.

## 2024

### Capacity Enhancement

Acquisition of the Silvassa furniture unit from Kisan Mouldings Limited enhanced production capacity by 2,400 MTPA and strengthened strategic presence in southern and western India.

## 2025

### Record Achievement

PIL Italica reached an all-time high top line of ₹100 crore, marking a historic milestone in its growth trajectory.



## PIL Italica at a Glance



GROWING PAN-INDIA PRESENCE

**4538** DEALERS

**626** DIRECT DEALER AND DISTRIBUTOR

**22** STATES & UNION TERRITORIES



WORKFORCE

**2** MANUFACTURING UNITS

**8450** MTPA MANUFACTURING CAPACITY

**13** FULFILLMENT CENTERS



COMMITTED WORKFORCE

**235** TEAM STRENGTH

**55** DEDICATED MARKETING TEAM & FLEET-ON-STREAM

# PLASTIC FURNITURE PRODUCTS



Plastic furniture serves as the cornerstone of PIL Italice's portfolio, transforming the industry with solutions that are not only durable and stylish but also affordable. The Italice brand has become synonymous with innovation and excellence in the lifestyle plastic furniture segment, renowned for seamlessly integrating aesthetic appeal with longlasting strength. Representing the majority of the Company's revenue, this expansive product range — crafted from over 150 precision-engineered moulds — offers a sustainable alternative to traditional materials, enriching both consumer lifestyles and living environments.



**STYLISH DESIGN**  
Contemporary Styles that suit every space and lifestyle.



**BUILD TO LAST**  
High-quality materials for long lasting strength and stability.

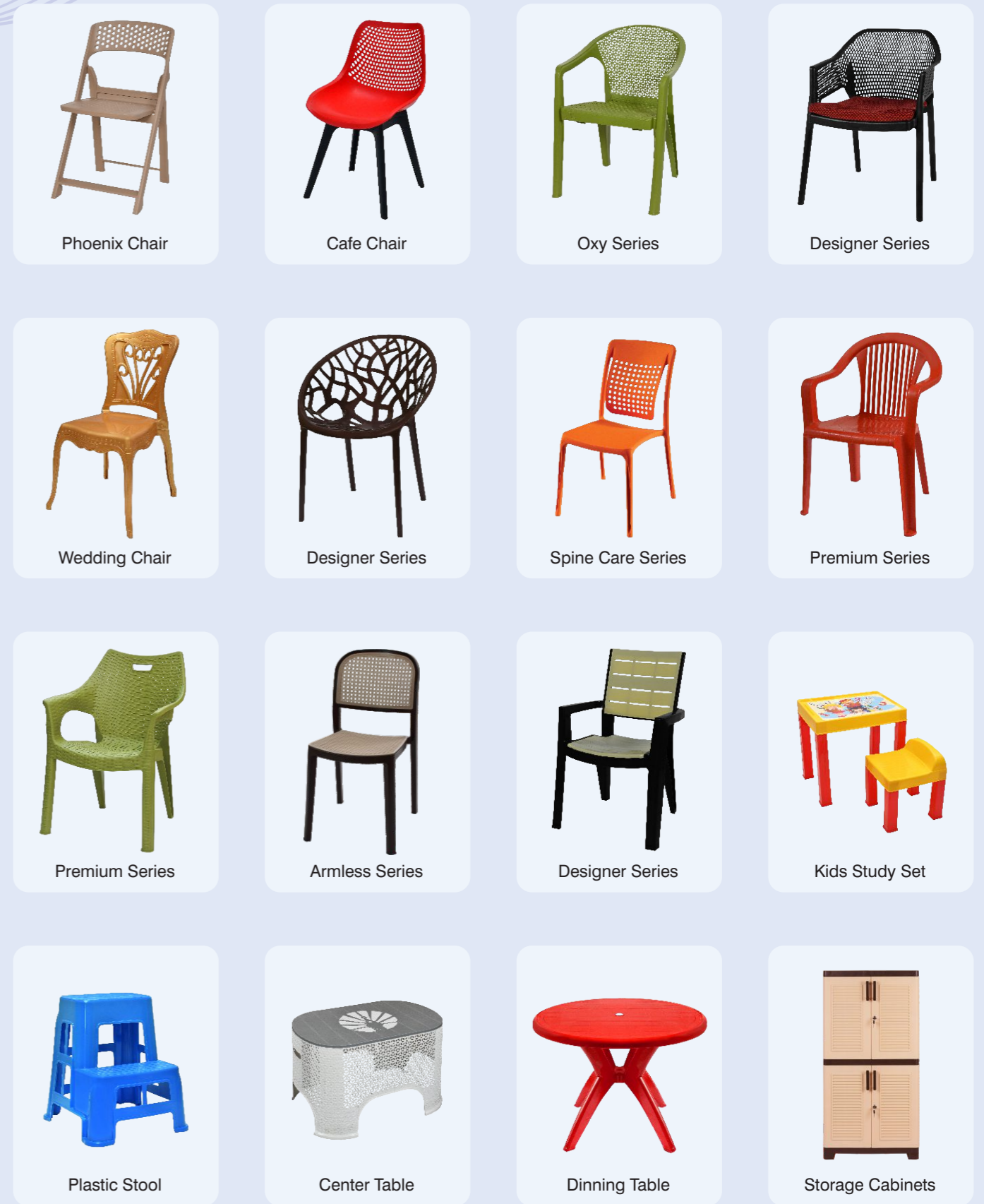


**COMFORT REDEFINED**  
Ergonomically designed for maximum comfort.



**VALUE FOR MONEY**  
Premium quality at affordable prices.

## OUR PLASTIC FURNITURE RANGE



### APPLICATIONS

PIL Italice's products are renowned for their versatility, finding widespread application across a range of environments including restaurants, swimming pools, gardens, tent houses, offices, and homes. In each setting, they enhance both comfort and visual appeal, enriching the user experience.

PRODUCT VERTICALS 02

# MATERIAL HANDLING SOLUTIONS

The material handling range from PIL Italice showcases the Company's commitment to extending innovation into practical utility, offering products such as industrial crates that establish new standards for durability and performance. Engineered with premium, food-grade materials, these products deliver exceptional weather resistance, UV protection, and longevity, even in the most demanding environments.



## ADVANTAGES

PIL Italice's crates are crafted from superior food-grade materials, providing outstanding resilience against harsh weather conditions and UV exposure. Their robust build ensures reliability and a long service life, making them ideal for rigorous industrial use.

Precision engineering underpins the design of these crates, with remarkable strength, durability and a lightweight build, facilitating ease of handling and operational efficiency.

## APPLICATIONS

The versatility of PIL Italice's material handling products extends well beyond plastic furniture, serving a broad spectrum of industries. Their utility spans sectors such as food and beverage, e-commerce, logistics, and more, demonstrating adaptability to varied operational needs.

## KEY INDUSTRIES SERVED

PIL Italice's material handling solutions cater to a diverse clientele, including the fruits and vegetables sector, hospitality and catering, electronics, engineering, automotive, textiles, fisheries, and food processing industries. These products also play a vital role in supporting many leading e-commerce platforms like Grofers, Big Basket, Ninja Cart, and Udaan, as well as logistics providers such as Delhivery, thereby enhancing operational efficiency and productivity across these industries.



**STRONG & DURABLE**  
Made from premium-grade virgin plastic for long life and high load capacity.



**STACKABLE & SPACE EFFICIENT**  
Designed to save space and optimise storage.

PRODUCT VERTICALS 03

# WASTE MANAGEMENT PRODUCTS

PIL Italice's waste management product line, featuring a comprehensive selection of dustbins & wastebins exemplifies the Company's commitment to environmental stewardship. Engineered from premium materials for both indoor and outdoor applications, these products actively support national cleanliness initiatives such as the Swachh Bharat Abhiyan, fostering improved hygiene and sanitation in public spaces.



## ADVANTAGES

PIL Italice's dustbins are meticulously crafted from high-quality materials, ensuring exceptional durability and reliable performance in a wide range of environments, both indoors and outdoors.

By aligning with the Government of India's Swachh Bharat Initiative, PIL Italice significantly contributes to effective waste management and the promotion of cleaner communities through its innovative product range.

## APPLICATIONS

Renowned for their versatility, PIL Italice's waste management solutions are widely deployed across public & commercial spaces such as hospitals, railway stations, shopping centers, parks, airports, commercial establishments, and residential complexes.

These products play an integral role in advancing PIL Italice's environmental responsibility, with extensive distribution to municipal corporations and public institutions, reinforcing the Company's dedication to sustainable urban development.



Waste Bins with Swing Lid

Waste Bins with LID

Waste Bin

IDEAL FOR



MANUFACTURING INFRASTRUCTURE

# Moulding Excellence

PIL Italica Lifestyle Limited's manufacturing infrastructure stands as a benchmark in the industry, combining advanced technology with operational excellence. The Company operates 2 state-of-the-art manufacturing facilities: its flagship plant in Udaipur, Rajasthan, and a strategically acquired unit in Silvassa. Together, these facilities enable PIL Italica to deliver a diverse, high-quality product portfolio across its core categories - plastic furniture, material handling solutions, and waste management products - while consistently upholding rigorous quality standards and driving innovation.

2

MANUFACTURING FACILITY

8,450 MTPA

CUMULATIVE PRODUCTION CAPACITY

## Udaipur facility



### FLAGSHIP MANUFACTURING HUB

The Udaipur facility is the cornerstone of PIL Italica's manufacturing operations. Spanning 18,000 sq. m., with 12,500 sq. m. dedicated to the production shop, it is equipped with more than 150 advanced moulds and modern machinery.

### CAPACITY & OUTPUT

With an installed capacity of 6,050 MTPA, this ISO 9001:2015 certified plant is instrumental in producing the Company's extensive range of plastic furniture, material handling, and waste management products.

### ROLE IN INNOVATION

The facility's scale and technical capabilities enable the development of new designs and support PIL Italica's commitment to quality, efficiency, and product diversity.

ISO 9001:2015

CERTIFICATION

150+

ADVANCED MOULDS

6,050 MTPA

PRODUCTION CAPACITY

716

PRODUCT VARIANTS

## COMMITMENT TO QUALITY

PIL Italica's manufacturing ethos are deeply rooted in our commitment to quality. The Company's ISO 9001:2015 accreditation and its distinction as the only Indian manufacturer of CE-certified plastic furniture underscore a consistent pursuit of excellence. Every product is crafted to not only meet but exceed international standards, ensuring lasting value, safety, and customer satisfaction.

PIL Italica Lifestyle's robust manufacturing infrastructure underpins its leadership in the lifestyle furniture sector. By continually investing in technology, capacity, and quality, the Company is well-positioned to meet evolving market demands and deliver innovative, reliable products that set new benchmarks for the industry.



## Silvassa facility



### STRATEGIC ACQUISITION

The Umerkui (Silvassa) unit, acquired from Kisan Mouldings Limited, has been a pivotal expansion for PIL Italica. Covering 17,486 sq. m. with 6,000 sq. m. of production space, the facility currently houses 51 specialized moulds and boasts a capacity of 2,400 MTPA, set to rise to 4,000 MTPA post expansion.

### GEOGRAPHIC ADVANTAGE

Silvassa's strategic location enhances logistics, supporting efficient distribution throughout southern and western India and enabling seamless integration with national transportation networks.

### GROWTH ROADMAP

The facility is slated for further upgrades, including machinery enhancements and inventory expansion, to diversify the product mix and support the Company's ambitious growth objectives.

## CAPACITY EXPANSION

In line with its growth strategy, PIL Italica's Board has approved a significant capacity expansion initiative at the Silvassa facility. This project, with a planned capital outlay of ~ ₹ 25 crore funded through a mix of internal accruals and external debt, will see the installation of new injection moulding lines, the acquisition of advanced moulds and dyes, and the introduction of new products at Silvassa facility. Once implemented in phases, this expansion will boost Silvassa's annual production capacity by 1,600 MTPA, enabling the Company to manufacture a wider range of value-added products across all 3 core categories and further solidify its market position.

~ ₹ 25 crore  
PLANNED CAPEX

2,400 MTPA

CURRENT PRODUCTION CAPACITY

51

ADVANCED MOULDS

4,000 MTPA

EXPANDED PRODUCTION CAPACITY

155

PRODUCT VARIANTS

EXPANDING PRESENCE

# Mapping Success Across India

PIL Italice Lifestyle has steadily evolved into a truly Pan India Brand, establishing a robust operational footprint that spans the length and breadth of the country. With a strategic sales and distribution network comprising over 3,417 dealers and 557 distributors, the company is present in 21 states and Union Territories, ensuring its products are accessible from metropolitan hubs to remote locales.

PIL Italice's growing geographical presence is a testament to its customer-centricity in the plastic furniture industry. The Company's products can be found delivering comfort and aesthetics in homes, offices, restaurants, public spaces, and institutions across India.

## STRATEGIC EXPANSION AND DISTRIBUTION NETWORK



### Key Markets

PIL Italice's presence covers major regions including North, West, South, and Central India, with particularly strong distribution in states such as Rajasthan, Gujarat, Maharashtra, Karnataka, Tamil Nadu, Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Andhra Pradesh, Telangana, and more.



### Fulfilment Centres

The company operates 13 fulfillment centres in strategic locations such as Hyderabad, Kanpur, Bengaluru, Bhiwandi, Ghaziabad, Jabalpur, and Zirakpur, further streamlining supply chain efficiency and product availability.



### Urban and Rural Penetration

PIL Italice's distribution strategy ensures its products reach both urban centres and rural markets, driven by a "think global, act local" philosophy that prioritizes customer relationships and local market needs.

4538

DEALER

22

STATES & UNION TERRITORIES

626

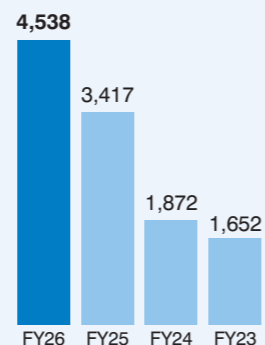
DIRECT DEALERS AND DISTRIBUTORS

13

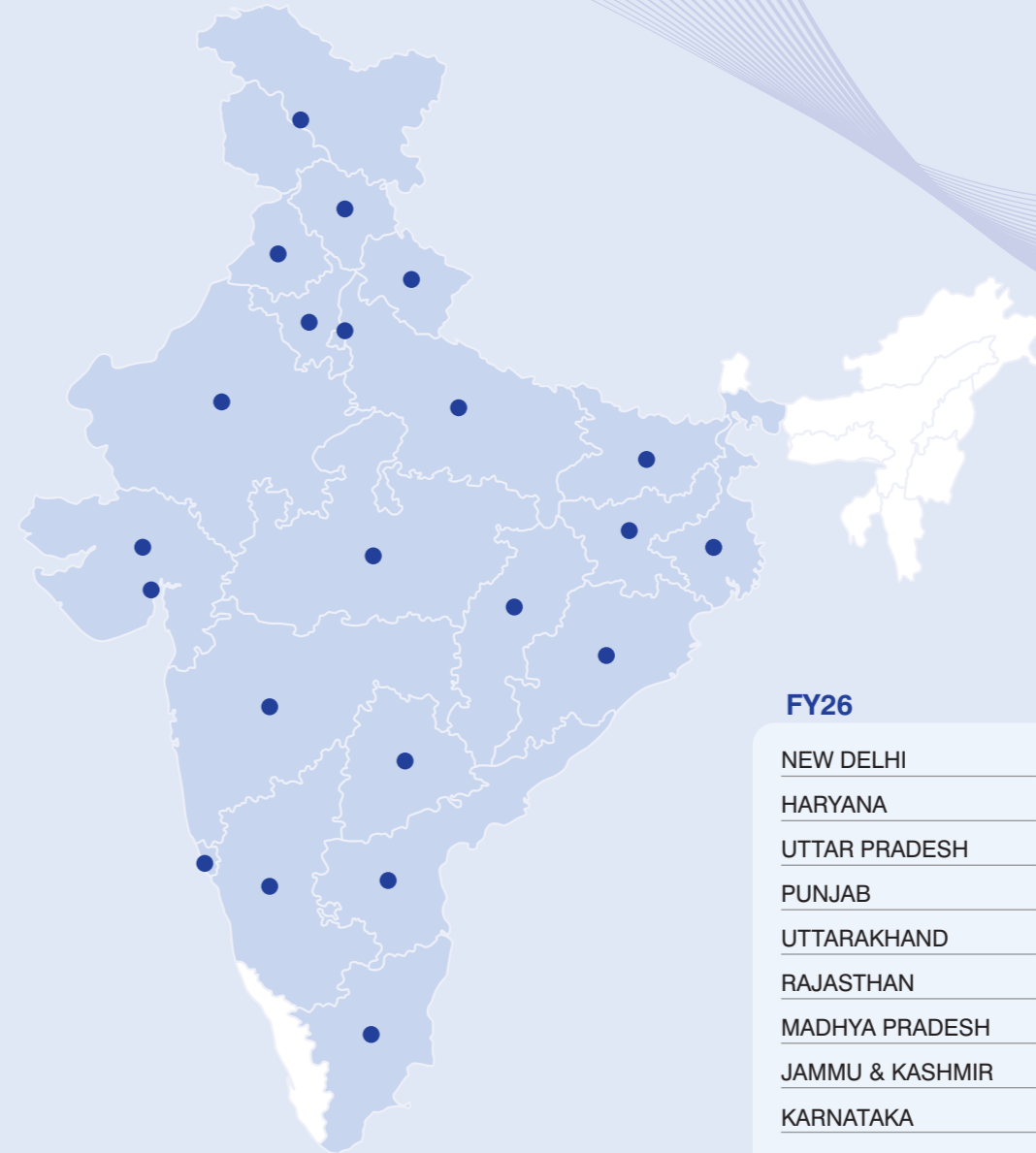
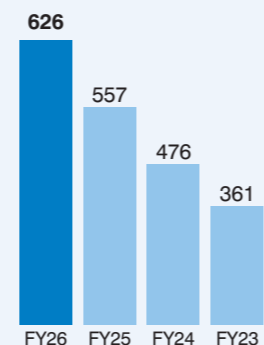
FULFILMENT CENTERS

## DISTRIBUTION NETWORK

### DEALERS



### DISTRIBUTORS



Map not to scale, only for illustration purpose

### FY26

NEW DELHI	CHHATTISGARH
HARYANA	MAHARASHTRA
UTTAR PRADESH	GOA
PUNJAB	GUJRAT
UTTARAKHAND	DAMAN & DADRA NAGAR HAVELI
RAJASTHAN	ODISHA
MADHYA PRADESH	WEST BENGAL
JAMMU & KASHMIR	BIHAR
KARNATAKA	HIMACHAL PRADESH
ANDHRA PRADESH	JHARKHAND
TELANGANA	
TAMILNADU	

## STRENGTHENING PRESENCE THROUGH STRATEGIC ACQUISITIONS

The acquisition of the Silvassa unit has been pivotal in deepening PIL Italice's roots in the Southern and Western markets. This move has not only enhanced manufacturing capabilities but also optimized the Company's distribution network, enabling seamless access to new markets and faster delivery times.

Continued growth in central regions such as Madhya Pradesh and Chhattisgarh further solidifies PIL Italice's national presence, showcasing a strategic blend of geographic and market diversification.

## EXPANDING HORIZONS

### Future Focus

With a clear vision to be an integral part of every Indian locale, PIL Italice is intensifying its efforts to deepen market penetration, especially in emerging regions such as East and North-East India. Plans are underway to launch new product lines and expand into categories like kids' and study furniture, further broadening the Company's reach.

### Digital Initiatives

In addition to its physical network, PIL Italice has invested in digital marketing and e-commerce platforms to enhance brand visibility and accessibility, ensuring customers across India can easily discover and purchase its products.

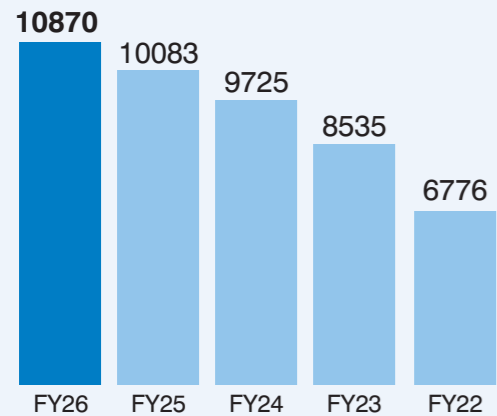
KEY PERFORMANCE INDICATORS

# Numbers that define our success



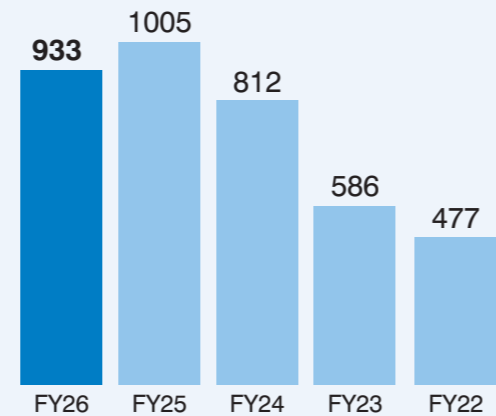
TOTAL INCOME (₹ in lakhs)

₹ 10,870



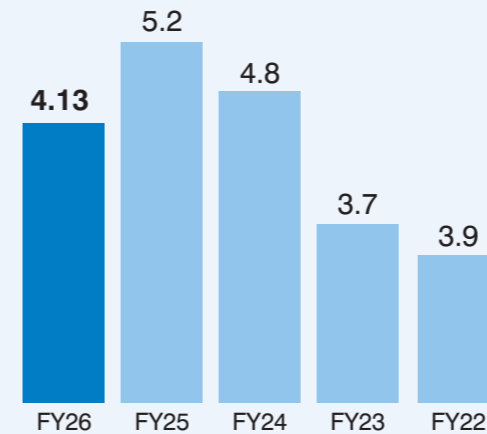
EBITDA (₹ in lakhs)

₹ 933



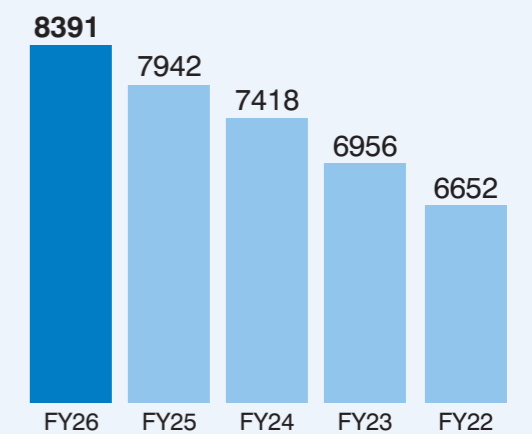
PAT MARGIN (IN %)

4.13%



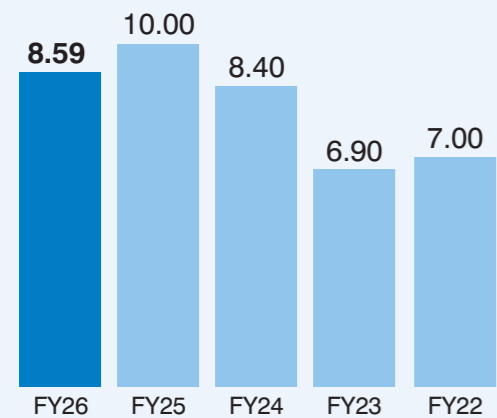
NETWORTH (₹ in lakhs)

₹ 8391



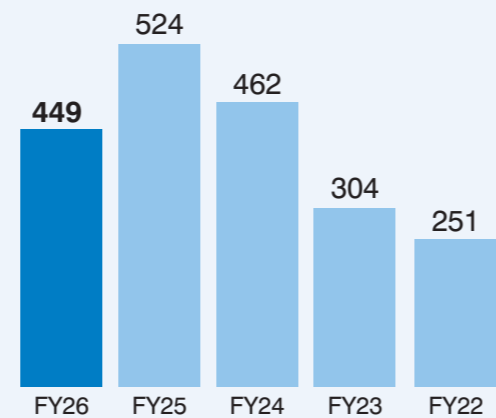
EBITDA MARGIN (IN %)

8.59%



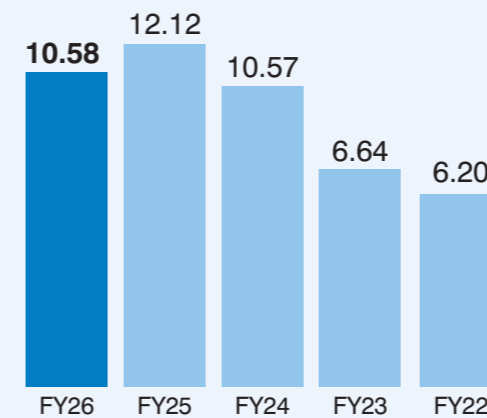
PROFIT AFTER TAX (₹ in lakhs)

₹ 449



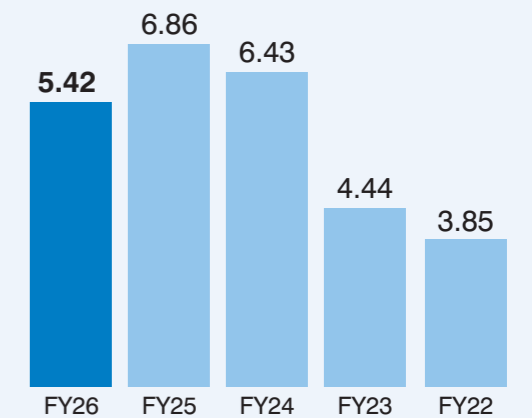
ROCE (IN %)

10.58%



ROE (IN %)

5.42%



## LETTER TO SHAREHOLDERS

# Navigating Challenges, *Building for the Future*



PIL Italice Lifestyle Limited's manufacturing infrastructure stands as a benchmark in the industry, combining advanced technology with operational excellence. The Company operates 2 state-of-the-art manufacturing facilities: its flagship plant in Udaipur, Rajasthan, and a strategically acquired unit in Silvassa. Together, these facilities enable PIL Italice to deliver a diverse, high-quality product portfolio across its core categories - plastic furniture, material handling solutions, and waste management products - while consistently upholding rigorous quality standards and driving innovation.

Daud Ali, *Managing Director*

Dear Shareholders,

FY26 was a year that tested resilience across industries and markets globally. Heightened geopolitical tensions, volatile crude oil prices, inflationary pressures, and global supply chain disruptions created a challenging operating environment for businesses worldwide. Despite these headwinds, India continued to remain one of the fastest-growing major economies supported by strong domestic demand, infrastructure-led growth, rising urbanization, and improving consumer aspirations.

Against this backdrop, PIL Italice Lifestyle Limited continued to demonstrate resilience, operational discipline, and strategic focus while strengthening its long-term growth foundations. Guided by our philosophy of "Designing Comfort. Delivering Growth.", we continued to focus on product innovation, manufacturing expansion, brand visibility, market penetration, and operational excellence.

## Financial Performance

During FY26, your Company delivered steady operational performance despite significant cost pressures arising from elevated polymer and raw material prices linked to volatility in global crude oil markets.

The sharp increase in crude oil prices during the year, driven by ongoing geopolitical conflicts and war-related disruptions, significantly impacted procurement costs across the plastics and polymers industry. Since raw materials constitute a substantial portion of the Company's operating costs, the industry witnessed pressure on margins during the year.

Despite these external challenges, PIL Italice remained focused on operational efficiencies, product mix optimization, strategic sourcing initiatives, and disciplined cost management.

Your Company reported Total Income of ₹ 108.70 Crore during FY26 as against ₹ 100.83 Crore in FY25, reflecting stable growth amidst a challenging demand environment. EBITDA reduced to ₹ 9.33 Crore as compared to ₹ 10.04 Crore in the previous year, also EBITDA margins reduced from 9.96% to 8.59%. Profit After Tax stood at ₹ 4.49 Crore as against ₹ 5.24 Crore in FY24, reflecting the Company's continued focus on profitability and operational efficiency.

These results reflect the strength of our brand, disciplined execution capabilities, and our ability to navigate a volatile external environment while continuing to invest for long-term growth.

At PIL Italice, we strongly believe that stronger visibility creates stronger consumer preference. Over the years, the Company has steadily strengthened its market presence and transformed itself into a widely recognized lifestyle furniture brand across India. During the year, we continued to expand our dealer, distributor, and channel partner network across strategic markets to deepen market penetration and improve customer accessibility.

Our efforts remained focused on ensuring that Italice products are visible and available across every nook and corner of the country. We continued to strengthen our retail presence through dealer branding initiatives, regional campaigns, outdoor advertising, product demonstrations, exhibitions, and focused digital marketing activities. We also strengthened our social media and e-commerce presence to align with changing consumer buying patterns and increasing digital adoption. These initiatives continue to strengthen our consumer connect and reinforce Italice's positioning as a trusted and aspirational lifestyle furniture brand.

Innovation continues to remain at the core of our growth strategy. Consumer lifestyles are evolving rapidly, and we remain committed to developing innovative, contemporary, and value-added products aligned with changing market preferences. During the year, the Company continued to work on expanding its premium and lifestyle-oriented product portfolio while strengthening adjacent categories including storage solutions, crates, waste bins, and utility products. Our continuous focus on product development, design enhancement, aesthetics, comfort, and functionality continues to strengthen customer engagement and long-term growth opportunities.

Over the last few years, PIL Italice has steadily expanded its footprint beyond its traditional strong markets and strengthened its pan-India presence across Northern, Eastern, Southern, and emerging regions. Our growing

dealer and distributor ecosystem, fulfillment capabilities, and focused market expansion initiatives continue to improve accessibility, product availability, and customer servicing standards across markets.

Today, the Company has established a strong and growing pan-India distribution ecosystem comprising over **4,538 dealers**, including **410 direct dealers** and **216 distributors**, catering to customers across **22 States and Union Territories**. This extensive network is further supported by **13 strategically located fulfillment centres**, enabling efficient product availability, faster delivery timelines, and improved customer servicing capabilities across regions. The continued expansion of our dealer, distributor, and fulfillment infrastructure remains central to strengthening Italice's visibility and accessibility across every nook and corner of the country.

Sustainability continues to remain an integral part of our long-term growth philosophy. The Company remains committed towards environmentally responsible manufacturing practices, efficient resource utilization, waste recycling initiatives, and continuous operational improvement. We continue to strengthen sustainable manufacturing processes in line with evolving environmental expectations and responsible business practices.

The long-term outlook for the Indian lifestyle furniture industry continues to remain positive, supported by rising urbanization, increasing housing demand, infrastructure development, growing middle-class consumption, and evolving consumer lifestyles. Backed by a strong brand, expanding manufacturing capabilities, wider distribution reach, continuous product innovation, and disciplined execution, your Company remains well-positioned to capitalize on emerging growth opportunities in the Indian furniture and lifestyle products market.

As we move forward, our focus remains firmly on strengthening market penetration, launching innovative and value-added products, enhancing operational efficiencies, expanding manufacturing and distribution capabilities, and delivering sustainable and profitable growth.

On behalf of the Board of Directors, I would like to sincerely thank our shareholders, customers, channel partners, employees, bankers, and all stakeholders for their continued trust, confidence, and unwavering support.

Together, we will continue to strengthen the Italice brand and build a future-ready organization committed to excellence, innovation, and sustainable growth.

GROWTH STRATEGIES

# Designing Comfort. Delivering Growth.

PIL Italica Lifestyle Limited continues to strengthen its position as one of India's trusted lifestyle furniture brands through a focused strategy centered on deeper market penetration, stronger channel partnerships, product innovation, manufacturing excellence, and enhanced consumer engagement.

The Company firmly believes that stronger visibility leads to stronger consumer preference. With a focused effort towards expanding its presence across every nook and corner of the country, PIL Italica continues to strengthen product accessibility, improve market reach, and build a wider retail footprint across urban, semi-urban, and emerging markets.

A key pillar of the Company's growth strategy remains continuous expansion of its dealer, distributor, and channel partner ecosystem. PIL Italica is actively appointing new channel partners across strategic markets to deepen distribution reach, strengthen retailer relationships, and improve availability of products across key retail touchpoints. The Company's growing distribution network continues to enhance brand visibility, customer accessibility, and market penetration across India.

Simultaneously, the Company continues to work continuously on new product development and portfolio expansion aligned with changing consumer aspirations and modern lifestyle trends. Continuous investments in contemporary designs, value-added products, functionality enhancement, and product innovation are helping the Company strengthen its positioning across multiple customer segments.



CORE STRATEGIC PRIORITIES

Expanding Dealer, Distributor, and Channel Partner Network Across High-Growth Regions

The Company continues to strengthen its pan-India distribution network through appointment of new dealers, distributors, and channel partners across strategic markets. This expansion is aimed at improving market penetration and enhancing customer accessibility across urban and semi-urban regions. The Company remains focused on building strong and long-term channel relationships to improve market reach and operational efficiency. A wider distribution network is expected to support sustainable revenue growth and stronger retail presence.

Increasing Visibility of Italica Products Across Retail Touchpoints and Consumer Markets

The Company continues to focus on increasing product visibility across retail counters, display centers, and consumer markets to strengthen brand presence and customer engagement. Focused investments in branding, merchandising, and promotional activities are helping improve market awareness across regions. The Company believes that stronger visibility enhances consumer preference and brand recall. Increasing retail presence across markets is expected to support deeper market penetration and higher customer reach.

Strengthening Product Availability Across Every Nook and Corner of the Country

The Company continues to improve product availability through expansion of its distribution reach, fulfillment infrastructure, and logistics capabilities. Focused efforts are being undertaken to strengthen supply chain efficiencies and ensure timely servicing across markets. The objective is to improve customer convenience and enhance accessibility of products across regions. By strengthening its last-mile connectivity, the Company aims to establish a deeper market presence across every nook and corner of the country.

Launching Innovative, Contemporary, and Next-Generation Furniture Solutions

Innovation continues to remain a key growth driver for the Company. PIL Italica is continuously working on launch of innovative, contemporary, and next-generation furniture solutions aligned with evolving consumer preferences and modern lifestyle trends. The Company remains focused on combining aesthetics, comfort, durability, and functionality across its product portfolio. Continuous product development and design enhancement initiatives are helping strengthen customer engagement across multiple segments.

Expanding Premium, Lifestyle-Oriented, and Value-Added Product Categories

The Company continues to strengthen its presence across premium and lifestyle-oriented product categories to cater to evolving consumer aspirations. Focus on value-added products with improved aesthetics and functionality is helping strengthen the Company's product mix and brand positioning. PIL Italica remains committed to expanding its portfolio across modern and premium furniture categories. The Company also continues to evaluate new opportunities across adjacent lifestyle segments.

Enhancing Consumer Engagement Through Digital Marketing and Regional Branding Initiatives

The Company continues to invest in digital marketing, regional branding, and consumer engagement initiatives to strengthen market visibility and customer connect. Focused campaigns across digital and traditional platforms are helping improve brand recall across key markets.

Increasing Presence Across E-Commerce and Digital Commerce Platforms

The Company continues to strengthen its presence across e-commerce and digital commerce platforms in line with changing consumer purchasing behavior. Expansion across online channels is improving product accessibility and customer convenience across markets. PIL Italica remains focused on improving digital visibility and engagement through multiple online platforms. Growing digital presence is helping the Company reach wider and younger consumer segments.

Investing in Advanced Manufacturing Technologies and Operational Efficiencies

The Company continues to invest in advanced manufacturing technologies, modern machinery, molds, and process improvements to strengthen production capabilities and operational efficiencies. Continuous focus on technology upgradation is helping improve product quality, manufacturing flexibility, and scalability.

Focusing on Sustainable and Environmentally Responsible Manufacturing Practices

Sustainability continues to remain an integral part of the Company's long-term growth strategy. PIL Italica remains focused on environmentally responsible manufacturing practices, efficient resource utilization, and waste recycling initiatives. The Company continues to work towards minimizing material wastage and improving operational efficiencies across facilities. Continuous focus on sustainable manufacturing processes is helping align operations with evolving environmental standards and consumer expectations. These initiatives support responsible growth and long-term operational sustainability.

Backed by strong brand equity, established manufacturing capabilities, expanding distribution reach, and continuous product innovation, PIL Italica remains well-positioned to capitalize on long-term opportunities in the Indian furniture and lifestyle products market while continuing to deliver sustainable and profitable growth.

## LEADERSHIP TEAM

# The Team Driving Transformation

## BOARD OF DIRECTORS

**Mr. Daud Ali****Managing Director**

Mr. Daud Ali, a first-generation entrepreneur and commerce graduate, brings over four decades of rich experience and business acumen in the plastics industry. As a visionary leader, he guided PIL Italice to a successful listing on both the BSE and NSE as early as 1993. In his capacity as Managing Director, Mr. Ali formulates and executes strategic decisions, steering the Company's growth. His hands-on leadership and entrepreneurial spirit have propelled PIL Italice to prominence both domestically and internationally, establishing it as an industry leader. He has been honored with the prestigious Udyog Patra Award by the Institute of Trade and Industrial Development, New Delhi, and the Vikas Ratna Award by the International Society for Friendship of India.

**Mr. Mukesh Kumar Kothari****Non-Executive, Non-Independent Director**

Mr. Mukesh Kumar Kothari holds a postgraduate degree in ABST (Accounting and Business Statistics) and brings over 31 years of expertise in accounts, taxation, income tax, GST, and finance. In addition to his role at PIL Italice Lifestyle, he serves as Treasurer of Bharat Vikas Parishad, Lake City, Udaipur.

**Ms. Apeksha Agiwal****Non-Executive, Independent Director**

Ms. Apeksha Agiwal is a Chartered Accountant with diverse experience in finance, including taxation, direct and indirect tax compliance, audit, and MIS reporting. She has taken on the role of Chairperson for the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Stakeholders Grievances Committee w.e.f. 10.05.2024.

**Mr. Narendra Bhanwat****Whole Time Director and Chief Financial Officer**

A commerce graduate with over 36 years of experience in the plastic furniture industry, Mr. Narendra Bhanawat has been an integral part of PIL Italice since its inception. He plays a key role in shaping the Company's operational policies and provides strategic guidance in planning and accounting. His expertise has been instrumental in the successful implementation of policies, significantly contributing to PIL Italice's journey towards excellence.

**Mr. Himanshu Surendrakumar Gupta****Non-Executive, Independent Director**

Mr. Himanshu Surendrakumar Gupta is a qualified Company Secretary and practicing professional, with in-depth knowledge and experience in corporate and securities laws, finance, and management. He is actively involved in assignments related to public issues, listing and post-listing matters, acquisitions and takeovers, corporate restructuring, and representation before statutory authorities such as SEBI and SAT.

**Ms. Sonal Mantri****Non-Executive, Independent Director**

Ms. Sonal Mantri, 35 years old, is a Company Secretary by qualification and currently working as a Practicing Company Secretary and has enriching knowledge and experience of more than 10 Years in Corporate & Securities Laws and Management and is actively engaged in assignments pertaining to Secretarial and Statutory Compliances etc.

## SENIOR LEADERSHIP

**Mr. Rajendra Kumar Heda****Sr. Vice President, Operations**

Mr. Rajendra Kumar Heda, holding qualifications in CA, CS, LL.B., B.Com, and ICMA, has been with PIL Italice Lifestyle since 1993. He plays a pivotal role in policy-making, strategic planning, and oversees the development and implementation of operational policies and procedures, ensuring seamless and efficient Company operations.

**Mr. Yogesh Jangid****Vice President - Marketing, Pan India**

With over 17 years of experience at Companies such as Nilkamal and Crompton Greaves, Mr. Yogesh Jangid leads marketing across India for PIL Italice Lifestyle. He is recognized for driving brand growth through innovative strategies and integrated marketing campaigns.

**Mr. Aftab Jawaid****Vice President (Sales & Marketing)**

Mr. Aftab Jawaid, an MBA in Marketing, brings over 30 years of experience from leading companies like Nilkamal, Time Technoplast, and Kisan Moulding. His leadership has been crucial in executing expansion strategies and launching new business lines, significantly contributing to the Company's growth.

**Amarnath Ray Chaudhuri****Vice President - Sales**

He holds Post Graduate Diploma in Business Management from EILM University, Kolkata B. Com (Hons) from Calcutta University. He has over 25 years of experience in Sales and Business Development across multiple industries. He was previously associated with Philips India Ltd, BPL Ltd., L G Electronics, HCL Infosystems Ltd, Reliance Communications, Polycab India Ltd. And Nilkamal Ltd. holding responsible positions in various locations across the country. He is instrumental in driving the business growth through introduction of new systems, process, policies and strategy framework.

**Mr. Rajat Raja Kothari****Company Secretary and Compliance Officer**

Mr. Rajat Raja Kothari is a commerce graduate from Mohan Lal Sukhadiya University, Udaipur, and an Associate Member of the Institute of Company Secretaries of India. With 7 years of experience in corporate and securities law, finance, and management, he oversees company law, SEBI LODR compliances, and accounting and taxation matters for PIL Italice Lifestyle.

**Mr. Sunil Saraswat****General Manager (Sales and Marketing)**

A B.Tech (Civil Engineer) with over 31 years of experience, Mr. Sunil Saraswat heads the Sales & Marketing department of the plastic furniture division. He is responsible for developing and nurturing relationships with clients, dealers, and distributors, and brings prior experience from Nilkamal.

**Mr. P. K. Humad****Assistant General Manager**

Mr. P. K. Humad, with a postgraduate diploma in plastic processing technology and nearly three decades of experience in injection moulding, has been with PIL Italice Lifestyle since its inception. He oversees daily production activities and is dedicated to creating an efficient framework for moulded furniture

## SUSTAINABILITY INITIATIVES

# Building a Legacy of *Responsibility*

PIL Italice Lifestyle integrates sustainability into the core of its business, championing eco-friendly practices and responsible manufacturing across every facet of its operations. By aligning with national initiatives such as Swachh Bharat Abhiyan, adopting recyclable Raw Materials, and Utilising Renewable Energy at its manufacturing sites, the company minimizes its environmental impact while setting new benchmarks for Corporate Environmental Stewardship in the Plastic furniture industry.

## KEY SUSTAINABILITY INITIATIVES



## WASTE MANAGEMENT

PIL Italice's commitment to environmental well-being is exemplified through its robust waste management product line, which directly supports the goals of the Swachh Bharat Abhiyan. By supplying dustbins, wastebins and garbage storage products to municipal bodies, hospitals, public spaces, and residential complexes, the Company plays an active role in fostering cleaner, healthier communities across India.



## SUSTAINABLE MANUFACTURING

Sustainability is woven into PIL Italice's manufacturing ethos. The Company emphasizes recyclability and the adoption of innovative technologies, such as modern injection moulding and resource-efficient processes. The use of renewable energy at its facilities further reduces its carbon footprint, demonstrating a clear commitment to environmental conservation and responsible production. All manufacturing waste is reused, supporting a circular production model and minimizing landfill contributions.



## ECO-FRIENDLY PRACTICES

PIL Italice pursues zero-waste production and efficient resource management, striving to reduce ecological impact at every stage of the value chain. The Company's ongoing efforts to enhance these practices underscore its resolve to leave a positive, lasting legacy for future generations. This includes a shift towards sustainable materials and continuous evaluation of alternative technologies to further improve environmental performance.

## LOOKING AHEAD

As PIL Italice continues to expand its operations and product portfolio, sustainability remains a cornerstone of its strategic outlook. The Company is committed to further reducing its carbon footprint, introducing innovative eco-friendly products, and supporting national and global environmental goals. Through these efforts, PIL Italice Lifestyle not only enhances its brand reputation but also contributes meaningfully to a cleaner, greener, and more sustainable future for all.

MANAGEMENT DISCUSSION AND ANALYSIS

# Annexure B:

## Management Discussion and Analysis



### ECONOMIC OVERVIEW

#### Global Economy

The global economy during FY26 continued to witness moderate growth amid persistent geopolitical tensions, inflationary pressures, volatile commodity prices, and ongoing supply chain disruptions. Global economic activity remained uneven across regions, with advanced economies experiencing relatively slower growth due to tighter monetary policies, elevated interest rates, and subdued manufacturing activity, while emerging economies demonstrated comparatively resilient growth supported by domestic consumption and infrastructure spending.

During the year, geopolitical conflicts and uncertainties in key regions led to volatility in global crude oil and commodity prices. Fluctuations in energy prices impacted transportation, logistics, and input costs across manufacturing industries globally, including the plastics and polymers sector. The volatility in crude oil prices also resulted in fluctuations in polymer and petrochemical-linked raw material prices during the year.

Global inflation showed signs of gradual moderation; however, pricing pressures continued across several sectors due to supply chain realignments, higher logistics costs, and commodity market volatility. Central banks across major economies maintained a cautious approach toward monetary policy in order to balance inflation control with economic growth.

The global manufacturing sector continued to face challenges arising from trade uncertainties, changing geopolitical dynamics, and evolving consumer demand patterns. At the same time, long-term demand fundamentals remained supported by urbanization, infrastructure development, technological advancement, and rising consumption trends across emerging markets.

Despite short-term macroeconomic headwinds, the global economy continues to present long-term growth opportunities driven by increasing industrialization, expanding middle-class populations, and rising demand for affordable and utility-driven consumer products across developing economies.

#### Indian Economy

India continued to remain one of the fastest-growing major economies globally during FY26, supported by resilient domestic demand, strong infrastructure spending, stable macroeconomic fundamentals, and improving rural consumption trends.

The Indian economy demonstrated strong resilience despite external headwinds arising from geopolitical conflicts, global trade disruptions, and commodity price volatility. Government-led capital expenditure on infrastructure, logistics, housing, transportation, and urban development continued to support economic activity across sectors.

Private consumption remained healthy during the year, aided by improving rural demand, favorable demographics, rising disposable incomes, and expanding middle-class consumption. The services sector remained a key growth engine, while industrial and manufacturing activity continued to expand steadily.

Inflationary pressures remained relatively contained during the year; however, elevated global crude oil prices significantly impacted fuel costs, logistics expenses, and prices of petrochemical-linked raw materials. The plastics and polymers industry witnessed substantial increases in procurement costs due to higher crude oil prices triggered by ongoing geopolitical conflicts and war-related disruptions.

The Reserve Bank of India continued to maintain a balanced monetary policy approach to support growth while ensuring inflation stability. India's foreign exchange reserves remained comfortable, providing resilience against global volatility and external shocks.

India's long-term growth outlook continues to remain positive, supported by infrastructure development, manufacturing growth initiatives, urbanization, digital transformation, and increasing formalization of the economy.



### INDUSTRY OVERVIEW

#### Global Plastic Furniture Market Overview

The global plastic furniture market continued its steady growth trajectory during FY26, supported by increasing urbanization, rising demand for affordable furniture solutions, expanding hospitality and real estate sectors, and growing consumer preference for lightweight and low-maintenance products.

Plastic furniture continued to gain wider acceptance across residential, commercial, hospitality, healthcare, educational, and outdoor applications owing to its affordability, versatility, durability, weather resistance, and ease of maintenance.

Demand for modular, multifunctional, and space-efficient furniture solutions remained strong globally, particularly in urban markets characterized by shrinking living spaces and evolving consumer lifestyles. Manufacturers increasingly focused on innovation, aesthetics, customization, and product functionality to address changing consumer preferences.

However, the industry faced cost pressures during FY26 due to volatility in crude oil prices amid geopolitical tensions and global supply-side uncertainties. Since plastic polymers are linked to crude oil derivatives, fluctuations in oil prices resulted in volatility in raw material procurement costs across the global plastics industry. Volatile freight and logistics costs further impacted operating margins across the sector.

Sustainability continued to remain a key industry focus area during the year. Manufacturers globally increasingly adopted recycled plastics, eco-friendly materials, energy-efficient manufacturing processes, and circular economy practices to align with environmental regulations and evolving consumer expectations.

Asia-Pacific continued to remain one of the fastest-growing regions for plastic furniture, driven by rising urbanization, strong manufacturing ecosystems, increasing disposable incomes, and expanding middle-class populations.

#### Indian Plastic Furniture Market Overview

The Indian plastic furniture market continued to witness steady growth during FY26 driven by urbanization, rising consumer aspirations, increasing housing demand, growth in commercial infrastructure, and changing lifestyle preferences.

Demand for lightweight, durable, aesthetically appealing, and affordable furniture products continued to remain healthy across residential, institutional, and commercial segments. The increasing adoption of

**MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)**

compact living spaces and multifunctional furniture solutions further supported demand for plastic furniture products.

The growth of e-commerce platforms, organized retail channels, and digital commerce enhanced product accessibility and consumer reach across urban and semi-urban markets. Rising disposable incomes and increasing spending on home improvement and lifestyle products also contributed positively to market growth.

The Indian plastic furniture industry witnessed increasing focus on sustainability and environmentally conscious manufacturing practices. Manufacturers continued to invest in recycled plastics, waste management initiatives, and eco-friendly production processes to align with evolving regulatory standards and consumer expectations.

Despite favorable demand trends, the industry faced several challenges during the year. Volatility in crude oil prices amid geopolitical tensions created fluctuations in polymer and raw material prices, thereby impacting industry margins. Intense competition, pricing pressures, evolving consumer preferences, and environmental regulations also remained key industry concerns.

Nevertheless, the long-term outlook for the Indian plastic furniture market remains positive, supported by favorable demographics, urbanization, infrastructure development, rising middle-class consumption, and increasing demand for affordable and functional furniture solutions.

**Opportunities**

- Rising urbanization and increasing migration towards urban and semi-urban regions continue to drive demand for affordable, durable, and space-efficient furniture solutions.
- Growth in residential housing, commercial infrastructure, hospitality, educational institutions, and public utility projects presents significant opportunities for increased demand across furniture categories.
- Rising disposable incomes, improving consumer lifestyles, and increasing aspirations of the growing middle-class population are supporting higher spending on home improvement and lifestyle products.
- Increasing penetration of organized retail, dealer networks, and digital marketing platforms is enhancing market accessibility and strengthening consumer reach across India.
- Growing consumer preference for aesthetically appealing, innovative, modular, and multifunctional furniture products is creating opportunities for value-added product offerings and product diversification.
- Expansion into adjacent product categories such as storage solutions, crates, waste bins, and premium lifestyle furniture provides opportunities for improving product mix and enhancing revenue streams.
- Increasing awareness regarding sustainable and recyclable products is encouraging manufacturers to adopt environmentally conscious manufacturing practices and develop eco-friendly product offerings.

- Ongoing investments in manufacturing capacity expansion, technology upgradation, product innovation, and distribution network strengthening are expected to support market penetration and long-term growth.
- Favorable demographic trends, rising nuclear families, and increasing demand for low-maintenance and lightweight furniture products continue to support long-term industry growth prospects.

**Threats**

- Volatility in crude oil and polymer prices may impact raw material procurement costs and operating margins, as polymers constitute a major component of the Company's cost structure.
- Geopolitical tensions, supply-side disruptions, and fluctuations in fuel prices may continue to impact logistics, transportation, and overall supply chain costs.
- Intense competition from organized and unorganized industry participants may exert pressure on pricing, margins, and market share.
- Regulatory changes relating to plastics usage, environmental compliance, and waste management norms may increase compliance requirements and operational costs.
- Fluctuations in freight, transportation, and utility costs may adversely impact profitability and operational efficiencies.
- Rapidly evolving consumer preferences and changing design trends require continuous focus on product innovation, aesthetics, quality enhancement, and customer engagement.
- Availability of alternative furniture materials such as wood, metal, and engineered products may impact demand dynamics in certain customer segments.
- Economic slowdowns, inflationary pressures, or moderation in consumer spending may impact demand for discretionary lifestyle and furniture products.



**COMPANY OVERVIEW**

PIL Italica Lifestyle Limited has established itself as a prominent and trusted player in the Indian lifestyle furniture industry, driven by its unwavering commitment to quality, innovation, functionality, and customer-centricity. Established in 1992 and headquartered in Udaipur, Rajasthan, the Company has consistently evolved with changing consumer aspirations and market dynamics, emerging as a recognized brand in the premium plastic and lifestyle furniture segment.

Aligned with the Company's theme, "Designing Comfort. Delivering Growth.", PIL Italica continues to focus on creating thoughtfully designed, aesthetically appealing, durable, and value-driven furniture solutions that cater to the evolving lifestyle needs of modern consumers across India.

The Company operates advanced manufacturing facilities at Udaipur and Silvassa, equipped with modern infrastructure and state-of-the-art injection molding technologies. The strategically located Silvassa facility strengthens the Company's operational footprint across western and southern India, enabling improved logistics efficiencies, faster delivery timelines, and enhanced market responsiveness.

Over the years, PIL Italica has continuously expanded and diversified its product portfolio to address evolving consumer preferences and emerging market opportunities. The Company offers a wide range of products including plastic chairs, tables, stools, loungers, trolleys, crates, storage solutions, waste bins, and wooden furniture products. Through continuous product innovation, design enhancement, and focus on functionality, the Company remains committed to delivering superior value and comfort to its customers.

Innovation and manufacturing excellence remain integral to the Company's growth strategy. PIL Italica continues to invest in advanced injection molding machines, new molds, product development, and technology upgradation initiatives aimed at enhancing production capabilities, operational efficiencies, and product quality. The ongoing expansion initiatives at the Umerkui unit are expected to further strengthen manufacturing capacity and support the Company's future growth plans.

The Company has established a robust pan-India distribution network comprising dealers, distributors, fulfillment centers, and growing digital commerce channels, enabling deeper market penetration and wider customer reach. Strategic investments in branding, digital marketing, regional campaigns, and consumer engagement initiatives continue to enhance brand visibility and strengthen the Company's market presence across geographies.

Backed by decades of industry experience, strong manufacturing capabilities, an expanding product portfolio, and a customer-focused approach, PIL Italica remains well-positioned to capitalize on the growing opportunities in the Indian furniture and lifestyle products market. The Company continues to remain committed to operational excellence, sustainable growth, and delivering innovative furniture solutions that combine comfort, functionality, and modern design aesthetics.

**FY26 PERFORMANCE DISCUSSION**

**Financial Performance Overview**

Particulars	FY26	FY25	YoY Growth (%)
Total Income	10870.35	10083.18	7.81
EBITDA	933.46	1004.77	-7.10
EBITDA (%)	8.59	9.96	-138 bps
Profit Before Tax (PBT)	605.47	700.92	-13.62
Profit After Tax (PAT)	449.36	524.26	-14.29
PAT (%)	4.13	5.20	-107 bps

During FY26, PIL Italica Lifestyle Limited delivered resilient operational performance despite a challenging business environment characterized by volatility in crude oil prices, elevated polymer costs, inflationary pressures, and continued geopolitical uncertainties impacting global supply chains and input costs.

For FY26, the Company reported Total Income of ₹ 108.70 Crores as against ₹ 100.83 Crores in FY25, registering a growth of 7.81% on a year-on-year basis. The growth was supported by improved market penetration, strengthening of the distribution network, enhanced brand visibility initiatives, and steady demand across key product categories.

During the year, the Company continued to witness pressure on input costs due to fluctuations in crude oil prices and higher polymer procurement costs arising from geopolitical tensions and supply-side disruptions. Since raw materials constitute a significant portion of the Company's overall cost structure, the increase in raw material prices impacted operating margins during the year.

Despite these headwinds, the Company remained focused on operational efficiencies, strategic sourcing, product mix optimization, cost rationalization, and capacity enhancement initiatives. The Company also continued to invest in branding, digital marketing, dealer expansion, and regional market development activities to strengthen its market presence and consumer engagement.

EBITDA for FY26 stood at ₹ 9.33 Crores as compared to ₹ 10.05 Crores in FY25. EBITDA Margin for the year stood at 8.59% as against 9.96% in the previous year. Profit Before Tax (PBT) stood at ₹ 6.05 Crores compared to ₹ 7.01 Crores in FY25, while Profit After Tax (PAT) stood at ₹ 4.49 Crores as against ₹ 5.24 Crores in the previous year. PAT Margin for FY26 stood at 4.13% against 5.20 % in the previous year.

The moderation in profitability during the year was primarily attributable to elevated raw material prices, increased logistics and transportation costs, and continued investments towards market expansion, branding, and distribution strengthening initiatives.

The Company continued to benefit from improving consumer demand trends, increasing acceptance of value-added furniture products, expanding dealer and distributor network, and enhanced brand visibility across key markets. Continuous investments in product innovation, manufacturing capabilities, and customer engagement initiatives are expected to further strengthen the Company's long-term growth prospects.

**MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)**

**Operational Performance**

During FY26, PIL Italice Lifestyle Limited continued to strengthen its operational capabilities through strategic investments in manufacturing infrastructure, technology upgradation, product innovation, and distribution network expansion. The Company remained focused on improving operational efficiencies, enhancing product quality, and strengthening its market presence across key regions.

The Company continued to invest in advanced manufacturing capabilities across its operational facilities at Udaipur and Silvassa.

In line with its product diversification strategy, the Company also continued to invest in new molds, product development initiatives, and design enhancement programs aimed at strengthening its portfolio across plastic furniture, storage solutions, crates, waste bins, and lifestyle furniture categories. Continuous focus on innovation and functionality enabled the Company to cater to evolving consumer preferences and changing market trends.

During the year, the Company further strengthened its pan-India market presence through focused investments in distribution expansion, branding, and consumer engagement initiatives. Key operational and market development initiatives undertaken during the year included:

- Expansion of dealer and distributor network across key markets
- Strengthening of fulfillment, warehousing, and logistics capabilities
- Enhanced digital marketing and consumer outreach initiatives
- Increased focus on regional branding and promotional campaigns
- Product demonstrations and customer engagement activities
- Continued strengthening of online and digital commerce presence

The Company also continued to focus on operational discipline, efficient inventory management, supply chain optimization, and strategic sourcing initiatives to mitigate the impact of volatility in raw material and logistics costs during the year.

Backed by ongoing investments in manufacturing, product innovation, distribution reach, and brand visibility, the Company remains well-positioned to capitalize on long-term growth opportunities in the Indian furniture and lifestyle products market.

**Key Financial Ratios**

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance	Remarks
Current Ratio	Current Assets	Current Liabilities	2.66	3.51	-24.22%	
Debt – Equity Ratio	Total Debt	Shareholders' Equity	0.32	0.22	45.45%	Increase in debt
Debt Service Coverage Ratio	EBITDA	Interest plus Principal	5.50	5.56	-1.08%	
Return on Equity (ROE)	Net Profit after Taxes	Average Shareholders' Equity	5.42%	6.86%	-20.99%	
Inventory Turnover Ratio	Sale of Products	Average Inventory	5.84%	5.68%	2.82%	
Trade Receivables Turnover Ratio	Revenue	Average Trade Receivables	20.96	16.11	30.11%	Decrease in debtor
Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	26.62	35.84	-25.73 %	Increase in trade payable
Net Capital Turnover Ratio	Net Sales	Working Capital	2.88	2.72	5.88%	
Net Profit Ratio	Net Profit after Taxes	Net Sales	4.23%	5.38%	-21.38%	
Return on Capital Employed (ROCE)	EBITDA	Capital Employed	10.58%	12.12%	-12.71%	
Return on Investment (ROI)	Income Generated from Investments	Time Weighted Average Investments	No income generated from the investment	-	-	

The Company maintained a healthy financial position during FY26 through prudent financial practices, and efficient resource utilization.

**SUSTAINABILITY AND ESG INITIATIVES**

Sustainability continues to remain an integral part of PIL Italice Lifestyle Limited's long-term growth strategy and operational philosophy. The Company remains committed to environmentally responsible manufacturing practices, efficient resource utilization, and sustainable operational development while continuously striving to minimize its environmental footprint.

The Company continues to focus on strengthening sustainable manufacturing practices across its operations through initiatives aimed at improving resource efficiency, reducing wastage, and enhancing operational effectiveness. Key sustainability initiatives undertaken during the year include:

- Reuse and recycling of manufacturing waste across operational processes
- Continuous focus on minimizing material wastage and improving yield efficiencies
- Adoption of energy-efficient manufacturing practices and process optimization initiatives
- Development of durable, long-life, and value-driven products aimed at enhancing product sustainability
- Efficient utilization of raw materials, utilities, and operational resources across manufacturing facilities

The Company also continues to evaluate opportunities to increase the usage of recyclable materials, strengthen environmentally conscious manufacturing processes, and enhance sustainability-led operational practices in line with evolving industry standards and regulatory expectations.

Through its continued focus on operational efficiency, responsible manufacturing, and sustainable growth practices, the Company remains committed to creating long-term value for all stakeholders while contributing towards environmentally responsible business operations.

**DIGITAL AND BRAND BUILDING INITIATIVES**

During FY26, PIL Italice Lifestyle Limited continued to strengthen its brand-building and digital outreach initiatives with a focused approach towards enhancing consumer engagement, expanding market reach, and strengthening brand visibility across key markets in India.

The Company continued to invest in integrated marketing and promotional initiatives aimed at improving brand recall, increasing customer connect, and strengthening its positioning in the lifestyle furniture segment. Key initiatives undertaken during the year included:

- Enhanced digital marketing and consumer outreach campaigns across multiple platforms
- Increased focus on regional advertising and localized brand promotion initiatives
- Outdoor branding and newspaper advertisement campaigns across strategic markets
- Expansion and strengthening of presence across digital commerce and e-commerce platforms

- Product demonstrations, promotional activities, and dealer engagement programs
- Strengthening social media presence and consumer interaction initiatives
- Participation in high-visibility advertising campaigns during marquee sporting and entertainment events

These initiatives significantly enhanced the Company's market visibility and consumer engagement across urban and semi-urban markets. The Company's continued focus on strategic branding, digital outreach, and consumer-centric marketing initiatives is expected to further strengthen brand positioning, customer recall, and long-term market penetration across diverse customer segments.

**OUTLOOK**

The outlook for PIL Italice Lifestyle Limited remains positive, supported by favorable industry fundamentals, rising urbanization, increasing consumer aspirations, and growing demand for affordable, functional, and lifestyle-oriented furniture solutions.

The Company continues to strengthen its pan-India distribution network through expansion of dealers, distributors, fulfillment infrastructure, and digital commerce channels. Ongoing capacity expansion, technology upgradation, and operational improvement initiatives are expected to support future growth opportunities.

In line with evolving consumer preferences, the Company is undertaking various new initiatives focused on product innovation, design enhancement, and launch of contemporary products catering to next-generation consumers and modern lifestyles.

The Company remains focused on:

- Expanding and diversifying its product portfolio
- Launching innovative and value-added products
- Increasing market penetration across key regions
- Strengthening brand visibility and consumer engagement
- Enhancing operational efficiencies and supply chain capabilities
- Expanding digital and e-commerce presence
- Maintaining prudent financial discipline

While volatility in crude oil prices and polymer costs may continue to pose near-term challenges, the Company remains confident of navigating these headwinds through strategic sourcing, cost optimization, operational efficiencies, and focused execution.

Backed by strong manufacturing capabilities, continuous innovation, expanding market presence, and a customer-centric approach, the Company remains optimistic about achieving sustainable long-term growth and creating value for stakeholders.

**MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)**

**RISKS, CONCERNS AND RISK MITIGATION**



**Commodity Price Risk**

The Company remains exposed to fluctuations in crude oil and polymer prices, which significantly impact raw material procurement costs. During FY26, war-related geopolitical developments and supply disruptions led to substantial increases in crude oil prices, resulting in elevated polymer prices and margin pressures across the industry. The Company mitigates this risk through strategic sourcing, inventory planning, cost optimization initiatives, and pricing revisions wherever feasible.



**Supply Chain Risk**

The Company's supply chain may be impacted by transportation disruptions, geopolitical tensions, raw material shortages, and logistics challenges. The Company continuously evaluates supply chain risks and adopts diversified sourcing strategies and contingency planning measures to ensure operational continuity.



**Regulatory Risk**

The Company operates within a framework of environmental, taxation, labor, and manufacturing regulations. Any adverse regulatory changes or non-compliance may impact operations and profitability. The Company maintains strong compliance mechanisms and regularly monitors regulatory developments.



**Credit Risk**

Economic uncertainties and changing market conditions may impact customer payment cycles and receivable collections. The Company follows prudent credit evaluation and receivable management practices to mitigate credit risk exposure.



**Safety Risk**

Manufacturing operations involve operational and workplace safety risks. The Company remains committed to maintaining high safety standards through regular audits, employee training programs, preventive maintenance, and continuous improvement initiatives.

Regular training programs, workshops, and upskilling initiatives are conducted to enhance employee competencies and operational effectiveness. The Company remains committed to fostering a collaborative and employee-centric work environment that encourages innovation, accountability, and professional growth.

Industrial relations across all facilities remained cordial and harmonious during the year.

**CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the Company's objectives, estimates, expectations, projections, or predictions may constitute "forward-looking statements" within the meaning of applicable laws and regulations.

Actual results may differ materially from those expressed or implied due to various factors including changes in economic conditions, government regulations, taxation policies, demand-supply dynamics, raw material prices, geopolitical developments, currency fluctuations, competition, and other incidental factors.

The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on subsequent developments, information, or events.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has established adequate internal control systems commensurate with the nature, size, and complexity of its operations. These systems are designed to safeguard assets, ensure accuracy and completeness of accounting records, prevent frauds and errors, and facilitate timely preparation of reliable financial information.

The internal control framework supports operational efficiency, effective risk management, regulatory compliance, and transparent financial reporting. Regular internal audits and management reviews are conducted to evaluate the effectiveness of internal controls and identify improvement opportunities.

The Audit Committee periodically reviews internal audit findings, compliance frameworks, and risk management practices to ensure continuous strengthening of internal control systems.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company firmly believes that its employees are one of its most valuable assets and key contributors to long-term success and sustainable growth.

The Company continues to focus on:

- Employee engagement and development
- Skill enhancement and training initiatives
- Leadership development programs
- Safe and inclusive workplace practices
- Performance-driven organizational culture
- Talent retention and capability building

**DIRECTORS' REPORT**

**Directors' Report**

To The Members of **PIL ITALICA LIFESTYLE LIMITED**

The Directors of your Company have pleasure in presenting the Thirty Fourth (34th) Annual Report together with the Audited accounts of the Company for the year ended March 31, 2026.

**1. FINANCIAL HIGHLIGHTS**

Your Company's performance during the year as compared to the previous year is summarized below:

	(₹ In Lakhs)	
Particulars	2025-26	2024-25
Revenue from Operations	10870.35	10083.18
Profit before Taxation	605.47	700.92
Less: Tax Expenses	156.11	176.66
Profit after Tax	449.36	524.26
Add: other Comprehensive Income	-	-
Add: Balance brought forward from Previous year	1531.33	1007.07
Balance Profit/(Loss) carry forward to the next year	1980.69	1531.33

**2. STATE OF COMPANY'S AFFAIRS**

The company is engaged in the manufacturing of plastic moulded furniture, material handling products and waste management products. During the year, the Company earned Total Income of ₹ 10870.35 Lakhs as against ₹ 10083.18 Lakhs in corresponding previous year and earned a net profit after tax of ₹ 449.36 Lakhs. The Company is continuously launching new and innovative products and revenue from operation increased by 7.81% during this year.

The company has a total 4538 dealers, 410 direct dealers and 216 Distributors as on the Financial Year ended on 31.03.2026. The Company has its geographical presence in 22 States including 1 Union Territory in India. The total production during the year 2025-2026 is 5455.19 MT. The detailed explanation of Company's Affairs is given in Management Discussion and Analysis Report forming part of this Annual Report.

**3. DIVIDEND**

Keeping in view the requirement of funds for future expansions, your directors do not recommend any dividend for the year ended on March 31, 2026.

**4. SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company as on 31st March 2026 stood at ₹ 2350.00 Lakhs comprising of ₹ 23,50,00,000 shares of ₹ 1/- each. The Company has not issued any further shares during the year.

**5. LISTING OF SHARES**

The Equity Shares of the Company are listed on National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 and BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.

The Annual Listing Fees for the financial year 2026-27 have been paid.

**6. CHANGES IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the company.

**7. MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of report.

**8. TRANSFER TO RESERVES**

No amount is proposed to be transferred to the Reserves for the financial year 2025-26.

**9. DEPOSITS**

The Company has not accepted any deposit falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

**10. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186**

Pursuant to section 186 of the Companies Act, 2013, disclosure relating to the loans given, investments made or guarantee given are provided in Notes to the Financial Statements forming part of the annual report.

**11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Related Party Transaction Policy as approved by the Audit Committee and the Board of Directors and the same displayed on the Company's website <https://www.italica.com> is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has a process in place to periodically review and monitor Related Party Transactions. During the year under review, all related party transactions were in the ordinary course of business and at

arm's length. The Audit Committee has approved the related party transactions for FY 2025- 26 and the estimated related party transactions for FY 2026-27. There were no related party transactions that conflict with the interest of the Company. The disclosure of Related Party Transactions as required in terms of Section 134(3)(h) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in Form AOC -2 as annexed vide "Annexure – F" with this report.

## 12. ANNUAL RETURN

The copy of the Annual Return pursuant to the provisions of Section 92(3) read with Rule 12 of the Companies (Management and administration) Rules, 2014 has been placed on the website of the company which can be accessed at <https://www.italica.com>

## 13. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2025-2026, the Board met Four (04) times held on 12.05.2025, 29.07.2025, 28.10.2025 and 20.01.2026.

## 14. COMMITTEE OF BOARD OF DIRECTORS

As on 31 March, 2026s, the Board has 4 Committees namely the Audit Committee, the Nomination and Remuneration Committee and Stakeholders Relationship Committee, Risk Management Committee. A detailed note on the Composition of the Board and its Committees and other relevant details is provided in the report on Corporate Governance annexed to this report.

## 15. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE

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

## 16. RISK MANAGEMENT

The Company believes that managing risks helps in maximizing returns. A risk management Policy have been developed and implemented by the company for identification of elements of risk if any, which in opinion of board may threaten the existence of the company. It aims to identify commodity prices, Price fluctuation of raw material and finished goods, Credit Risks, inflation, Strategic Risks, etc. Board of Directors of the company periodically reviews the effectiveness of risk management framework and system. However, in the opinion of Board, none of the above-mentioned risks threatens the existence of the company.

## 17. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL WHO HAVE APPOINTED OR HAVE RESIGNED

### (a) Changes in the Board of Directors:

During the year under review, no change has occurred in the Board of Directors of the company.

### (b) Retire by Rotation:

Mr. Narendra Bhanawat (DIN: 00146824), being the longest in the office, will retire by rotation at the forthcoming annual general meeting and being eligible, has offered himself for reappointment. The Board of Directors of your Company has recommended his re-appointment

### (c) Key managerial personnel:

Pursuant to the provisions of Section 203 of the Act, following were the Key Managerial Personnel of the Company as on 31 March 2026:

**Mr. Daud Ali,**

Chairperson and Managing Director

**Mr. Narendra Bhanawat,**

Whole Time Director and Chief Financial Officer

**Mr. Rajat Raja Kothari**

Company Secretary

## 18. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts, the applicable Indian accounting standards had been followed along with proper explanation relating to the material departures;
- the directors had selected such accounting policies and applied them consistently and made judgment 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 and loss of the Company for that period;
- 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;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down Internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 19. INDEPENDENT DIRECTORS AND THEIR MEETING

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

During the year under review a separate meeting of the Independent Directors of the Company was held on March 07, 2026, without the presence of other Directors and members of Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity and timelines of flow of information between the Company management and the Board.

## 20. STATUTORY AUDITORS

M/s. H.R.Jain& Co., Chartered Accountants, Udaipur (ICAI FRN:000262C), were appointed as Statutory Auditors of the Company at the 30th Annual General Meeting held on June 30,

2022 to hold office till the conclusion of the 35th Annual General Meeting held in the year 2027-28. M/s. H.R.Jain& Co. has confirmed that they are not disqualified from continuing as Auditors of the Company.

## 21. QUALIFICATION IN THE AUDITORS' REPORT - BOARD'S COMMENTS OR EXPLANATION

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

## 22. SECRETERIAL AUDITORS AND THEIR REPORT

The secretarial audit report given by M/s P. Talesara & Associates, Practicing Company Secretary under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2025-26 does not contain any qualification, reservation or adverse remark. The secretarial audit report is provided as Annexure A forming part of this report.

## 23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Management Discussion and Analysis Report is presented as a separate section as Annexure B forming part of annual report.

## 24. MAINTENANCE OF COST RECORDS

The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not conducted a detailed examination of these records to determine whether they are accurate or complete.

## 25. CEO/CFO CERTIFICATE

Chief Executive Officer and Chief Financial Officer compliance certificate as stipulated under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is present as Annexure 3 in this report.

## 26. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 134 of the Companies Act, 2013 are as follows:

### A. CONSERVATION OF ENERGY

Your company is continuously engaged in the process of energy conservation and is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.

To achieve the above objective, the following steps are taken to cut down the consumption of energy:

- Installation of Energy Efficient Equipment / Device- The Company reduce demand load to save fixed power charges and installed APFC Panel to maintain Power factor.
- Creating awareness of energy saving within the organization to avoid wastage of energy.
- R&D Activities and Adopting new Technology.

## B. TECHNOLOGY ABSORPTION

- Efforts made towards technology absorption:
  - Continuously monitoring the production patterns and inclusion of new tested technology products.
  - Constantly striving towards developing of new designs and products.
  - Investing in new technology of moulds and machinery.
- Benefits derived as a result of the above efforts:
  - Increase in the production along with the improvement in quality.
  - New and Innovative designed products.
  - New designed products are also catching attention of the export market.
- The company has not imported any technology during the year under review and also the expenditure incurred on Research and Development activity is insignificant.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	Amount (₹ in Lakhs)
Earnings	NIL
Outgo	269.40

## 27. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has spent the amount as per the provisions of Section 135 of the Companies Act. Though the total amount to be spend for CSR is less than INR 50 lakhs therefore the liability to form CSR Committee does not arise. The Board formed its CSR Policy and accordingly amount has been spent through various CSR activities. The Company is committed to operate and grow its business in a socially responsible way, while reducing the environmental impact of its operations and increasing its positive social impact. It aims to achieve growth in a responsible way by encouraging people to take small everyday actions that will make a big difference. The CSR Policy of the company is available on the website of the company at [www.italica.com](http://www.italica.com). The salient features of the CSR Policy forms a part of the Annual Report on CSR activities, in terms of Rules 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014), which contains details of CSR initiative taken by the Company during the year as annexed vide "Annexure-E" attached to the this Report.

As part of its initiatives under "corporate social responsibility" (CSR), the company has contributed funds for the building of old age home. The contributions in this regard have been made to the registered trust, which is undertaking these schemes.

## 28. NOMINATION AND REMUNERATION POLICY

The Company has in place the Nomination and Remuneration Committee. The Company has formulated the Nomination and Remuneration Policy on Directors, Key Managerial personnel and Senior Management Personnel, their appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of director. The Remuneration Policy is placed on the website of the Company [www.italica.com](http://www.italica.com) under Investor Relation section and is also annexed as Annexure C.

## 29. CORPORATE GOVERNANCE REPORT

The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is annexed as Annexure D.

**30. ANNUAL PERFORMANCE EVALUATION**

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. A separate meeting was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board at its meeting following the meeting of Independent Director.

**31. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS**

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from time to time. Details of familiarization programme to company's independent directors can be

accessed at the company's website www.italica.com under policy head.

**32. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

Your Company's Whistleblower Policy encourages Directors and employees to bring to your Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of your Company, or actual or suspected instances of leak of unpublished price sensitive information that could adversely impact your Company's operations, business performance and/or reputation. The Policy requires your Company to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. Anonymous complaints are also entertained if the complaint sets out specific allegations & verifiable facts, and is accompanied with supporting evidence. It is your Company's Policy to ensure that no complainant is victimized or harassed for bringing such incidents to the attention of your Company, and to keep the information disclosed during the course of the investigation as confidential. The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee was denied access to the Committee during the year. The Whistleblower Policy is available on your Company's corporate website at www.italica.com.

**33. DISCLOSURE ON THE REMUNERATION OF MANAGERIAL PERSONNEL**

None of the employees was in receipt of remuneration excess of the limits prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. The ratio of remuneration of each director to the median remuneration of the employees of the company for the FY 2025-26	Mr. Daud Ali	10.85:1	
	Mr. Narendra Bhanawat	2.36:1	
2. The percentage increase in remuneration of each Director, CFO, CEO, CS or manager if FY 2025-26	<b>Name</b>	<b>Designation</b>	<b>Increase in Remuneration in the Financial Year 2025-26 (%)</b>
	Mr. Daud Ali	Managing Director	No increase in FY 2025-26
	Mr. Narendra Bhanawat	Whole time Director and Chief Financial Officer	Increase by 13.82 %
	Mr. Rajat Raja Kothari	Company Secretary and Compliance Officer	Increase by 18.65 %
3. The percentage increase in the median remuneration of employees in the financial year 2025-26	The percentage increase in the median remuneration of the employees in the financial year 25-26 is 5.67%		
4. The number of permanent employees on the rolls of the company as on March 31, 2026	235 employees as at March 31, 2026		
5. Average percentile increases already made in the salaries of employees other than managing personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in the salaries is around 5.67 % in case of employees and percentile increase in managerial remuneration in case of Narendra Bhanawat, whole time director is 13.82% and in case of Daud Ali, Managing Director, no increase in 25-26.		
6. Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration paid is as per the remuneration policy of the company		

**34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**35. DEPOSITORY SYSTEM**

The Company has already entered into agreements with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**36. INTERNAL FINANCIAL CONTROL**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthen the controls.

Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**37. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

**38. FRAUD AGAINST THE COMPANY**

No fraud has been reported by the Statutory Auditors during the Financial Year 2025-2026 pursuant to the provisions of Section 143(12) of the Act.

**39. APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) :**

Neither any application made or nor any proceeding is pending under Insolvency and Bankruptcy Code, 2016.

Place: Udaipur  
Date: 07.05.2026

**40. 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 :**

During the year the Company has not entered into any One Time Settlement with banks or financial institutions.

**41. DISCLOSURE ON MATERNITY BENEFITS:**

Your Company remains committed to promoting the health, well-being, and rights of its women employees. In accordance with the provisions of the Maternity Benefit Act, 1961, as amended by the Maternity Benefit (Amendment) Act, 2017, PIL Italica Lifestyle Limited has implemented all necessary measures to support women employees during and after pregnancy. The Company provides maternity benefits which are in strict accordance with the provisions of the Maternity Benefit Act, 1961, as amended, and have been duly adopted and incorporated into the Company's employment policy. These entitlements are extended to all eligible women employees in line with statutory compliance. During the financial year under review, the Company has not received any grievances or complaints related to maternity benefits, and remains fully compliant with the applicable legal and regulatory requirements.

**42. GENERAL**

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

- a) Issue of Equity Shares with differential voting rights as to dividend, voting or otherwise.
- b) Business Responsibility Statement
- c) Issue of shares (including sweat equity shares) to employees of the company under any scheme.
- d) No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

**43. ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for assistance and co-operation received from various Ministries and Department of Government of India and other State Governments, financial institutions, banks, shareholders of the Company etc.

The management would also like to express great appreciation for the commitment and contribution of its employees for their committed services. Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

**For and on behalf of the Board of Directors**

Sd/- <b>Daud Ali</b> Managing Director DIN: 00185336	Sd/- <b>Narendra Bhanawat</b> Whole Time Director & CFO DIN: 00146824
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# Annexure 1 to Boards' Report

## DIVIDEND DISTRIBUTION POLICY OF PIL ITALICA LIFESTYLE LIMITED

### 1. Introduction:

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the 'SEBI Regulations'). The Board of Directors of PIL ITALICA LIFESTYLE LIMITED (the "Company"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("the Policy") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

### 2. Objective:

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. This Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

### 3. Philosophy

The philosophy of the Company is to maximise the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilise its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of dividend to the shareholder.

### 4. Regulatory Framework

The Securities Exchange Board of India ("SEBI") on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate and disclose a Dividend Distribution Policy.

### 6. Parameters for Declaration of Dividend

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

Financial Parameters / Internal Factors	External Factors:
<ul style="list-style-type: none"> <li>Consolidated net operating profit after tax</li> <li>Working capital requirements</li> <li>Capital expenditure requirements</li> <li>Resources required to fund acquisitions and / or new businesses</li> <li>Cash flow required to meet contingencies</li> <li>Outstanding borrowings</li> <li>Past Dividend Trends</li> <li>Surplus funds available with the Company</li> <li>The Company's liquidity position and future cash flow requirements</li> <li>Any other relevant factors that the Board may deem fit to consider before declaring Dividend.</li> </ul>	<ul style="list-style-type: none"> <li>Prevailing legal requirements</li> <li>Macroeconomic conditions</li> <li>Regulatory conditions or restrictions laid down under the Applicable Laws including tax laws</li> <li>Dividend pay-out ratios of companies in the same industry.</li> </ul>

Further, vide SEBI in its notification dated 05th May, 2021 in SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2015, the requirement for formulation of dividend distribution policy by the existing top 500 listed entities has been extended to the top 1,000 listed entities on the basis of market capitalization.

PIL Italica Lifestyle Limited, though not covered under the top thousand listed companies as per the market capitalization as on the last day of the immediately preceding financial year voluntarily frames this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2015.

### 5. Definitions

- 5.1 "Act" shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.
- 5.2 "Applicable Laws" shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
- 5.3 "Company or PILL" shall mean PIL Italica Lifestyle Limited.
- 5.4 "Chairman" shall mean the Chairman of the Board of Directors of the Company.
- 5.5 "Compliance Officer" shall mean the Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5.6 "Board" or "Board of Directors" shall mean Board of Directors of the Company.
- 5.7 "Dividend" shall mean Dividend as defined under Companies Act, 2013.
- 5.8 "Policy or this Policy" shall mean the Dividend Distribution Policy.

### 7. Circumstances under which the shareholders may or may not expect Dividend:

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

- i. Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- ii. Significantly higher working capital requirements adversely impacting free cash flow;
- iii. Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- iv. Whenever it proposes to utilise surplus cash for buy-back of securities; or
- v. In the event of inadequacy of profits or whenever the Company has incurred losses.

### Utilization of Retained Earnings:

The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital,
- ii. Organic and/ or inorganic growth,
- iii. Investment in new business(es) and/or additional investment in existing business(es),
- iv. Declaration of dividend,
- v. Capitalisation of shares,
- vi. Buy back of shares,
- vii. General corporate purposes, including contingencies,
- viii. Correcting the capital structure,
- ix. Any other permitted usage as per the Companies Act, 2013.

Parameters adopted with regard to various classes of shares: The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date. Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act. As and when the Company issues other kind of shares, the Board of Directors may suitably amend this Policy.

### 8. Procedure

- 8.1 The Company Secretary in consultation with the Chairman of the Company shall recommend any amount to be declared/ recommended as Dividend to the Board of Directors of the Company.
- 8.2 The agenda of the Board of Directors where Dividend declaration or recommendation is proposed shall contain the rationale of the proposal.
- 8.3 Pursuant to the provisions of applicable laws and this Policy, interim Dividend approved by the Board of Directors will be confirmed by the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to the shareholders' approval, at the ensuing Annual General Meeting of the Company.
- 8.4 The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.

### 9. Disclosure

The Company shall make appropriate disclosures as required under the SEBI Regulations and per Secretarial Standards issued by ICSI.

This policy is available on the Company's website at [www.italica.com](http://www.italica.com) under Investor Relations section and also be disclosed in the Company's annual report.

### 10. Policy Review

This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

# Annexure A

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31.03.2026

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

To,  
The Members,  
**PIL ITALICA LIFESTYLE LIMITED**  
CIN: L25207RJ1992PLC006576  
Regd. Office: Kodyat Road, Village Sisarma,  
Udaipur, Rajasthan-313001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PIL ITALICA LIFESTYLE LIMITED** (name of the company) (herein after 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 **PIL ITALICA LIFESTYLE LIMITED**, 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 made available to us through electronic mode, 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 31.03.2026 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 herein after :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **PIL ITALICA LIFESTYLE LIMITED** ("the Company") for the financial year ended on 31.03.2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per **Annexure A**
- (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, ('SEBI Act') 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2022;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (Amendment) Regulations, 2022,
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during the audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI (Share based Employees Benefits) Regulations, 2014 (Not applicable to the company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company 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 to the company during the audit period);
  - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not applicable to the company during the audit period); and
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015.
- (vi) Other Laws as applicable to the company as certified by the Management:
  - 1. Employee's Provident Funds & Miscellaneous Provisions Act, 1952
  - 2. Employee's State Insurance Act ,1948

- 3. The Payment of Bonus Act, 1965
- 4. Payment of Gratuity Act, 1972
- 5. The Contract Labour (Regulation and Abolition) Act, 1970
- 6. Negotiable Instruments Act, 1881
- 7. The Central Goods and Services Tax Act, 2017
- 8. The Income Tax Act, 1961
- 9. Indian Stamp Act, 1899
- 10. The Water (Prevention & Control of Pollution) Act, 1974
- 11. The Air (Prevention & Control of Pollution) Act, 1981
- 12. The Contract Act 1872
- 13. Arbitration and Conciliation Act, 1996
- 14. The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013
- 15. The Payment of Wages Act, 1936
- 16. The Minimum Wages Act, 1948
- 17. Industrial Disputes Act, 1947
- 18. The Environment Protection Act, 1986

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

- (ii) The Listing Agreements entered into by the Company with BSE and NSE Stock Exchange(s).

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

#### 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.

Adequate notice has been given to all the directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for meaningful participation at the meeting. All Decisions at board meeting and Committee meetings have been carried out 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

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 have relied on the Representation made by the Company and its officers for systems and mechanism formed by the company for compliances under other Acts, laws and Regulations applicable to the Company.

In case of return filing for PF, ESI, TDS and GST, I have relied on the Reports given by the Internal Auditors of the Company.

For **P. Talesara & Associates**  
Company Secretaries

Sd/-  
**(Pawan Talesara)**  
Proprietor

FCS No.: 8096, C P No.: 2674  
UDIN: F008096H000254751

Place: Udaipur (Raj.)  
Date: 01.05.2026

**Annexure-A:****List of Documents verified under Co. Act 2013**

1. Memorandum and Articles of Association of the Company
2. Annual Return for the Financial year ended 31.03.2025
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination and Remuneration Committee along with Attendance Register maintained during the financial year under Report
4. Minutes of General Meetings held during the financial year under Report
5. All statutory Registers
6. Agenda papers sent for the Board Meetings and Committee Meetings
7. Declaration received from the Directors of the company pursuant to the provisions of section 184 of the companies Act, 2013 and attachments thereto during the financial year under Report.
8. E- Forms filed by the company, from time- to-time, under applicable provisions of the Companies Act, 2013 and attachments there to during the financial year under Report.

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For **P. Talesara & Associates**  
Company Secretaries

Sd/-  
**(Pawan Talesara)**  
Proprietor

FCS No.: 8096, C P No.: 2674  
UDIN: F008096H000254751

Place: Udaipur (Raj.)

Date: 01.05.2026

This Report should be read with my letter of even date which is annexed as Appendices A and forms an Integral Part of this Report.

**Appendices A****List of Documents verified under Co. Act 2013**

To,  
The Members,  
**PIL ITALICA LIFESTYLE LIMITED**

My Report of given 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 my audit.
2. I have followed the audit practices and process 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 process and practice I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, rules, regulation and standards is the responsibility of management. My examination was Limited to the verification of procedure 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.

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For **P. Talesara & Associates**  
Company Secretaries

Sd/-  
**(Pawan Talesara)**  
Proprietor

FCS No.: 8096, C P No.: 2674  
UDIN: F008096H000254751

Place: Udaipur (Raj.)

Date: 01.05.2026

# Annexure C

## NOMINATION AND REMUNERATION POLICY

### 1. PURPOSE:

The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of companies Act, 2013 read along with the applicable rules thereto and Listing Regulation, as Amended from time to time. This policy is based on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by Nomination and Remuneration Committee (NRC or the committee) and has been approved by Board of Directors.

### 2. OBJECTIVE:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to perform is clear and meets appropriate performance benchmarks; and
- Remunerations to directors and key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

### 3. DEFINITIONS:

“Directors” means a director in the company’s board.

“Independent Director” means a director referred in sub section (6) of Section 149 of Companies Act, 2013.

“Remuneration” means any money or its equivalent given or passed to person for services rendered by him and includes perquisites as defined under Income Tax Act, 1961.

“Key Managerial Personnel” or KMP means:

- Managing director or Chief Executive Director or Manager and in their absence a Whole time Director;
- Company Secretary;
- Chief Financial officer and
- Such other officer as may be prescribed under the Companies Act, 2013

“Senior Managerial Personnel” means the personnel of the company who are members of its core management team excluding Board of Director Normally, this would comprise all members of management, of rank equivalent to General Manager and above including all Functional Heads.

### 4. ROLE OF COMMITTEE:

The role of NRC will be the following:

- to formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate the criteria for evaluation of performance of Independent Directors and the Board of Director
- To identify the persons who are qualified to become directors and who may be appointed in Senior Management in accordance with criteria laid down in this policy.

- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To perform and carry out any such other functions as is mandated by the Board from time to time and/ or enforced by any statutory notification or modification, as may be applicable.

### 5. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL:

- The committee shall identify and ascertain the integrity, qualification, expertise of the person for appointment as Director, KMP or at Senior Management level and recommend his/ her appointment, as per Company’s policy.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The committee has Authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
- The company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy year. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing special resolution.

### 6. TERM / TENURE:

- MANAGING DIRECTOR/WHOLE-TIME DIRECTOR :**  
The company can appoint or re-appoint any person as its Managing Director, Whole Time Director for a Fixed term not exceeding five years at a time or without any Limitation as to the period he is to hold such office and from time to time remove or dismiss him from office and appoint another in his place (subject to the provisions of any contract between him and company.)
- INDEPENDENT DIRECTOR :**  
An Independent Director shall hold office for a term up to 5 consecutive years on the Board of the company, but shall be eligible for re-appointment on passing of Special Resolution by the Company and Disclosure of such Appointment in the Board’s Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the Expiry of three years of ceasing to become Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly. A person shall not serve as an Independent Director in more than seven listed entities and any person who is serving as a Whole Time Director in any listed entity shall serve as an Independent

Director is not more than three listed entities or such other number as may be prescribed under the Act.

### 7. EVALUATION:

The Committee shall carry out evaluation of performance of Directors, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

### 8. REMOVAL:

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

### 9. RETIREMENT:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after the retirement age, for the benefit of the company.

### 10. POLICY FOR THE REMUNERATION TO DIRECTORS/SENIOR MANAGEMENT PERSONNEL:

#### 1. Remuneration to Managing Director/Whole-time Directors:

- The Remuneration/ Commission etc. to be paid to Managing Directors, etc. shall be governed as per provisions of Companies Act, 2013 and rules made there under or any other enactment for the time being in force and approvals obtained from the Members of the Company.
- The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-Time Director

#### 2. Remuneration to Non-Executive / Independent Directors:

- The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The Amount of sitting fees shall be such as may be recommended by Nomination and Remuneration Committee and approved by Board of Directors.

- All the Remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meeting as prescribed as under section 197(5) of Companies Act 2013) shall be subject to ceiling limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The Amount of remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholder as the case may be.

- An Independent Director shall not be eligible to get Stock options and also shall not be eligible to participate in any share based payment schemes of the company.

- Any remuneration paid to Non- Executive / Independent Directors for Services rendered which are of professional in nature shall not be considered as part of remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - The services are rendered by such Director in his capacity as the professional; and
  - In the opinion of the Committee, the director possesses the requisite for the practice of that professional.

### 3. Remuneration to Key Managerial Personnel and Senior Management Personnel:

- The Remuneration to KMP and Senior Management Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the companies policy.
- The fixed pay shall include monthly remuneration, employees contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- The incentive pay shall be decided based on the balance between performance of the company and performance of the Key Managerial Personnel and Senior Management, to be decide annually or at such intervals as may be considered appropriate.

### 4. Implementation:

- The committee may issue guidelines, procedures, formats, reporting, mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The committee may delegate any of its powers to one or more of its member.

# Annexure D

## CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended March 31, 2026 is presented below:

### 1) COMPANY'S PHILOSOPHY

At PIL ITALICA LIFESTYLE LIMITED we are committed of doing business in an efficient, responsible, honest, and ethical manner. Our Corporate Governance is the reflection of our value system encompassing our culture, policies and relationships with our stakeholders.

Corporate Governance is all about commitment to values and ethical business conduct. Corporate Governance practices goes beyond compliance and involves a companywide commitment and has become the integral part of business to ensure fairness, transparency and integrity of the management. Our guiding principles and practices are summarized in Corporate Governance Report. Pursuant to provision of companies Act 2013 and Regulation 34 of the Listing regulation, the report contains the details of Corporate Governance System and process at PIL ITALICA LIFESTYLE LIMITED. We believe in adopting the well accepted corporate Governance practices and benchmark the same and strive to improve them continuously.

### 2) BOARD OF DIRECTORS

#### a. Composition and category of Directors

As on March 31, 2026 the Board comprises of 6 members, out of which 3 are independent directors. Mr. Daud Ali is the Managing Director of the company, who conducts the day to day management of the company, under consistent support of Board of directors. The independent directors on the Board are also the specialist in their respective fields. There is a fixed Chairman on the Board.

Board Composition and category of directors during the Financial Year 2025-26:

Sr. No.	Name of Director	Promoter/ Non-Promoter	Category
1	Mr. Daud Ali	Promoter	Executive Director
2	Mr. Narendra Bhanawat	Non Promoter	Executive Director
3	Mr. Himanshu Surendrakumar Gupta	Non Promoter	Non Executive Independent Director
4	Mr. Mukesh Kumar Kothari	Non Promoter	Non-Executive
5	Ms. Apeksha Agiwal	Non Promoter	Non Executive Independent Director
6	Ms. Sonal Mantri	Non Promoter	Non Executive Independent Director

#### b. Attendance of each Director at the Board Meeting and Annual General Meeting

Details of Directors and their attendance in meetings held in FY 2025-26 are referred below:

Sr. No.	Name of Director	Attendance at Board meeting		Whether last Annual General Meeting attended
		No. of meetings held	No. of meetings attended	
1	Mr. Daud Ali	4	4	Yes
2	Mr. Narendra Bhanawat	4	4	Yes
3	Mr. Mukesh Kumar Kothari	4	4	Yes
4	Ms. Sonal Mantri	4	4	Yes
5	Mr. Himanshu Surendrakumar Gupta	4	4	Yes
6	Ms. Apeksha Agiwal	4	4	Yes

#### Number of other board of directors or committees in which a directors is a member or chairperson

Sr. No.	Name of Director	Directorships in Other Board of Directors	Memberships of Committees of Other Boards	Chairmanships of Committees of Other Boards	Names of the other listed entities where the person is a director and the category of directorship
1	Mr. Daud Ali	2	0	0	-
2	Mr. Narendra Bhanawat	0	0	0	-
3	Mr. Himanshu S Gupta	1	0	0	
4	Mr. Mukesh Kumar Kothari	0	0	0	-
5	Ms. Sonal Mantri	0	0	0	-
6	Ms. Apeksha Agiwal	2	1	0	Aditya Vision Limited and Ducon Infratechnologies Limited, the category is Non Executive Independent director

#### Notes:

- None of the directors holds shares in the company except Mr. Daud Ali (316200 shares) and Mr. Narendra Bhanawat (400 shares) as on March 31, 2026 and Mr. Mukesh Kumar Kothari (400 shares) as on March 31, 2026.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

#### c. Number of meetings of the board of directors held and dates on which held

During the financial year 2025-26, the Board met Four (04) times on 12<sup>th</sup> May 2025, 29<sup>th</sup> July 2025, 28<sup>th</sup> October 2025 and 20<sup>th</sup> January 2026. The agenda of the business matters to be transacted at the Board Meeting along with detailed note(s) thereto are circulated to the Board members, as per the time limits specified under the applicable acts, rules and regulations.

#### d. Disclosure of relationships between directors inter-se

There are no inter se relationships between our Board Member.

#### e. Number of shares and convertible instruments held by non- executive directors

Except Mr. Mukesh Kumar Kothari (400 shares), none of the Non-Executive Directors holds any share in the Company, during the FY 2025-26.

#### f. Web link where details of familiarization programmes imparted to independent directors is disclosed

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals.

The details regarding Independent Directors' Familiarization Programmes are given under the 'Investor Relation' section on the website of the Company and can be accessed at [www.italica.com](http://www.italica.com).

#### g. Chart / matrix setting out the skills / expertise / competence of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. The skills and attributes of the Company can be broadly categorized as follows:

- Business Leadership & Strategic Planning** – Experience in driving business in global market and leading management teams to make decisions in uncertain environments based on practical understanding, appreciation and understanding of short-term and long-term trends, strategic choices and demonstrating strengths, developing talent, succession planning.
- Accounts and Finance** – Knowledge in financial and legal matters, financial planning, capital allocation and maintaining cordial relationship with various Bankers
- Compliance & Governance** - Experience in developing governance practices and observing the same, accountability and insight to the best interests of all stakeholders, driving corporate ethics and values.
- Regulatory Expertise** – Understanding the legal regulations, for undertaking the best decision under the ambit of law, updation of such skills and monitoring of person performing such functions.

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills / expertise / competence
Business Leadership and Strategic Planning	Mr. Daud Ali and Mr. Narendra Bhanawat
Accounts and Finance	Ms. Apeksha Agiwal and Ms. Sonal Mantri
Compliance & Governance	Mr. Daud Ali and Mr. Himanshu S. Gupta
Regulatory Expertise	Mr. Himanshu S. Gupta and Mr. Daud Ali

**h. Independent Directors confirmation by the Board**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfill the conditions specified under Companies Act 2013 and SEBI (LODR) Regulations, 2015 and affirm that they are independence of the management.

**i. Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided.**

During the financial year 2025-26, none of the Independent Director resigned from the post of Independent Director from the Company. Hence, this point is not applicable to the company.

**j. Directors Appointment/Re-Appointment**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Narendra Bhanawat (DIN: 00146824) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Daud Ali, Chairperson and Managing Director (DIN: 00185336) of the Company whose tenure is expiring on 31.03.2027 will also be reappointed for a period of Three Years w.e.f. 01.04.2027 subject to the Shareholders' Approval in the 34th Annual General Meeting of the Company.

Mr. Himanshu Surendrakumar Gupta, Non-Executive Independent Director (DIN : 09607045) of the Company whose first tenure will be expiring on 20.05.2027 will also be reappointing for second term for a period of Five Years w.e.f. 21.05.2027 subject to Shareholders' Approval in the 34th Annual General Meeting of the Company.

**COMMITTEES OF THE BOARD**

In Compliance with the Companies Act 2013 and Listing Regulation, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on issues and ensure expedient resolution of the diverse matter. The constitution of the Board Committees is available on the Company's website, www.italica.com .

**3) AUDIT COMMITTEE**

**a. Terms of reference:**

The Audit Committee inter alia performs the function of approving Annual Internal Audit plan, review of financial reporting system, Internal controls system, discussion on quarterly, half yearly and annual financial results, interaction with statutory and internal Auditors, one- on-one meetings with statutory and internal Auditors, recommendation for the appointment of statutory auditor and their remuneration, recommendation for the appointment and remuneration of internal auditors, review of Business Management plan, review of internal audit reports significant related party transactions. The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

There are no subsidiary companies of the Company, hence new clause under Schedule II Part C, in Clause A (21) of SEBI (LODR) Regulations 2015 vide notification dated 09.05.2018 is not applicable.

**Composition, Name of members and Chairperson**

As on March 31, 2026, Audit Committee comprises of 3 directors and all of them are non-executive director. Ms. Apeksha Agiwal, the Chairperson of Audit Committee is an independent director and has sound financial knowledge. The composition of audit Committee meets the requirement of Section 177 of the companies Act, 2013 and Regulation 18 of Listing Regulation. The Company secretary acts as the secretary to committee. Ms. Apeksha Agiwal, the Chairperson of Audit Committee was present in AGM 2025 to answer the queries of shareholders, if any.

Name of Director(s)	Designation	Category
Ms. Apeksha Agiwal	Chairperson	Non-Executive Independent Director
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director

**b. Meetings and attendance during the year**

The Audit Committee met four times during the financial year on 12<sup>th</sup> May 2025, 29<sup>th</sup> July 2025, 28th October 2025 and 20<sup>th</sup> January 2026. The necessary Quorum was present at the meetings.

The composition and attendance of members at the meeting held for FY 2025-26 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Mukesh Kumar Kothari	04	04
Mr. Himanshu S. Gupta	04	04
Ms. Apeksha Agiwal	04	04

**4) NOMINATION AND REMUNERATION COMMITTEE**

**a. Brief description of Terms of reference:**

The role of the Committee inter alia will be following: Reviewing the overall compensation policy, service, agreements and other employment conditions of Managing/whole time Director(s) and Senior Management (one level below the Board):

- i) To help in determining the appropriate size, diversify and composition of the Board.
- ii) To recommend to the Board appointment/reappointment and removal of Directors;
- iii) To frame criteria for determining qualifications, positive attributes and independence of Directors;
- iv) Recommend to the board, all remuneration, in whatever form, payable to senior management.
- v) Fixing the remuneration to executive Directors (the restrictions contained in the Companies Act, 2013 is to be considered;
- vi) To create an evaluation framework for Independent Directors and the Board;
- vii) To provide necessary reports to the chairman after the evaluation process is completed by the Directors;
- viii) To assist in developing a succession plan for the Board;
- ix) To assist the Board in fulfilling responsibilities entrusted from time to time;
- x) Delegation of any of its powers to any Member of the Committee of the Compliance Officer.

The company has laid down Code of conduct for its Board members and Senior Management Personnel. All directors and designated personnel have affirmed compliance with their respective codes for the year under review. The declaration to this effect signed by Mr. Daud Ali, Managing Director and the same is annexed to this report.

**b. Composition, Name of members and Chairperson**

As on March 31, 2026 the Nomination and Remuneration Committee comprises of three Non-Executive Directors Ms. Apeksha Agiwal is the Chairperson of the Nomination and Remuneration Committee. The composition of the Committee meets the requirement of Section 178 of the companies Act, 2013 and SEBI Listing Regulations. The Company Secretary shall act the secretary to the committee. The Nomination and Remuneration Committee met once i.e. on May 12, 2025. The necessary Quorum was present at the meeting.

Name of Director(s)	Designation	Category
Ms. Apeksha Agiwal	Chairperson	Non-Executive Independent Director
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director

**c. Meeting and attendance during the year**

The composition and attendance of members at the meeting held for FY 2025-26 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Mukesh Kumar Kothari	1	1
Ms. Apeksha Agiwal	1	1
Mr. Himanshu S. Gupta	1	1

**d. Performance evaluation criteria for independent directors**

The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The entire Board of Directors (excluding the Director being evaluated) did the evaluation of all directors (including Independent Directors).

**e. Senior management:**

Particulars of senior management including the changes therein since the close of the previous financial year. Not Applicable.

**5) REMUNERATION OF DIRECTORS**

**a) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:**  
There is no pecuniary relationship or transactions of the non-executive director vis-à-vis the company.

**b) Criteria of making payments to non-executive directors:**  
No sitting fee is paid to Non Executive Director. The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Nomination and Remuneration Policy is also available on the website of the Company www.italica.com.

**c) Disclosures with respect to Remuneration for FY 2025-2026:**

Name of Director	Category	Remuneration (Salary, perquisites & other allowances)	Stock option/Bonus/ Other Performance linked incentives	Total
Mr. Daud Ali	Managing Director	46.85	Nil	46.85
Mr. Narendra Bhanawat	Whole time Director and Chief Financial Officer	8.87	Nil	8.87

**Note:**

- Service contract for both the Managing Director and Whole Time Director is of three years for Mr. Daud Ali w.e.f. April 01, 2024 and for Mr. Narendra Bhanawat w.e.f May 28, 2024.
- Notice period is 3 Months from either side or Severance fees is not applicable.

**6) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The company has Stakeholders Relationship Committee in compliance with the requirement of SEBI Listing Regulations and provisions of Section 178 of the Companies Act, 2013. As on March 31, 2026, the committee comprises of 3 members of whom 2 are Independent Director and 1 is Non-Executive Director. Ms. Apeksha Agiwal acts as the chairperson of Stakeholders Relationship Committee. The Company Secretary acts as the secretary to the committee.

**The role of the committee shall inter-alia include the following:**

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The meetings of the Committee are generally held as and when deemed necessary, to review and ensure that all investor requests/ grievances are redressed within a stipulated time period.

**a) Name of Non-Executive Director heading the committee**  
Ms. Apeksha Agiwal, Non-Executive Independent Director is the Chairperson of the Stakeholders Relationship / Grievance Redressal Committee. The Committee consists of the following persons:

Name of Director(s)/Designation	Category
Ms. Apeksha Agiwal, Chairperson	Non-Executive Independent Director
Mr. Mukesh Kumar Kothari, Member	Non-Executive Director
Mr. Himanshu S. Gupta, Member	Non-Executive Independent Director

**b) Meetings and attendance during the year**

During Financial Year 2025-26, the Stakeholders Relationship Committee met once on May 12, 2025. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY 2025-26 are given below:

Name of Director(s) Category	No. of Meetings held	No. of Meetings attended
Mr. Himanshu S. Gupta Independent Non-Executive	01	01
Mr. Mukesh Kumar Kothari Non-Executive	01	01
Ms. Apeksha Agiwal Independent Non-Executive	01	01

**c) Name and Designation of compliance officer:**  
Mr. Rajat Raja Kothari, Company Secretary acts as Compliance Officer of the Company.

**d) Number of shareholders' complaints received so far –**  
NIL

**e) Number not solved to the satisfaction of shareholders –**  
Nil

**f) Number of pending complaints - Nil**

To redress investor grievances, the company has a dedicated e-mail id investor@italica.com to which investor may send their grievance.

**7) RISK MANAGEMENT COMMITTEE**

The 'Risk Management Committee' ('RMC') was formed on 09.07.2021 but as on 31.03.2025, following are the members-

Name of Director(s)	Designation	Category
Ms. Apeksha Agiwal,	Chairperson	Non-Executive Independent Director
Mr. Mukesh Kumar Kothari,	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director

**The role of the committee shall inter-alia include the following:**

- (1) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- (2) Measures for risk mitigation including systems and processes for internal control of identified risks; and;
- (3) Business continuity plan.

**a) Meetings and attendance during the year**

During Financial Year 2025-26 the Risk Management committee met twice on June 28, 2025 and December 20, 2025. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY 2025-26 are given below:

Name of Director(s) Category	No. of Meetings held	No. of Meetings attended
Mr. Himanshu S. Gupta Independent Non-Executive	02	02
Mr. Mukesh Kumar Kothari Non-Executive	02	02
Ms. Apeksha Agiwal Independent Non-Executive	02	02

**8) GENERAL BODY MEETING****a) Location, Time and any special resolutions passed in the previous three annual general meetings**

The details of last three Annual General Meetings and special resolutions passed thereat are as follows:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2024-25	June 27, 2025	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	01
2023-24	June 27, 2024	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	01
2022-23	June 23, 2023	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	04

**b) Postal Ballot:** During the financial year ended 31st March, 2026, no resolution was passed by Postal Ballot.

**9) MEANS OF COMMUNICATION**

- I. Quarterly Results: The quarterly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and NSE websites. During this year Company has sent the quarterly business updates to all the shareholders of the Company.
- II. Newspaper wherein results normally published and website, where displayed: The quarterly/ half-yearly/ annual financial results are published in prominent daily newspaper viz. The Free Press Journal and Dainik Pukar . The financial results and the official news releases are also uploaded on the Company's website www.italica.com in the 'Investor Relations' section.
- III. News Release: The Company regularly publishes an official Business Update Report which are sent to the stock exchanges and posted on the company's website as well.
- IV. Presentation made to institutional investors or to the analysts: During the year under review there were no presentations made to institutional investors or the analysts.

**10) GENERAL SHAREHOLDER INFORMATION:****a) ANNUAL GENERAL MEETING - DATE, TIME AND VENUE**

**DAY & DATE** – Friday, 19th June, 2026

**TIME** – 11:00 AM

**VENUE:** Meeting will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility and also at the registered office of the Company. The address will be the registered office of the Company.

**b) Financial year:** April 1, 2025 to March 31, 2026

**c) Record Date:** As mentioned in the Notice of this AGM i.e. from 13.06.2026 to 19.06.2026 (both the dates are inclusive) Dividend Payment Date – not applicable

**d) Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s):**

The Equity Shares of the Companies are listed on below two Stock Exchanges and annual listing fees for Financial Year 2025-2026 to both the stock exchanges have been paid by the Company within stipulated time.

**Name & Address of Stock Exchanges, Stock Codes and Symbol:**

The Stock Exchange, Mumbai (BSE)  
BSE Limited  
Phiroze Jeejeebhoy Towers  
25th Floor, Dalal Street  
Mumbai - 400001

National Stock Exchange of India Ltd. (NSE)  
National Stock Exchange of India Limited,  
Exchange Plaza, C-1, Block-G  
Bandra Kurla Complex, Bandra - East  
Mumbai - 400 051

**e) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:** Not applicable

**f) REGISTRAR & TRANSFER AGENT:**

The work related to Share Transfer Registry in terms of both physical and electronic mode is being deal with by MUFG INTIME INDIA PVT. LTD (Previously known as LINK INTIME INDIA PVT. LIMITED) at the address given below:

**ADDRESS FOR CORRESPONDENCE:**

MUFG INTIME INDIA PRIVATE LIMITED  
247 Park, C-101 1st Floor,  
LBS Marg, Vikroli (W),  
Mumbai - 400083  
E-mail: rnt.helpdesk@in.mpms.mufg.com  
Tel No.: +91 22 49186000  
Fax No.: +91 22 49186060

**g) SHARE TRANSFER SYSTEM AND OTHER RELATED MATTERS:**

The shares, which are received in physical form for transfer/transmission/split etc., are immediately processed and dispatched within the stipulated time period. Also pursuant to the Listing Regulations, certificate is obtained from practicing company secretary on yearly basis to the effect that all the transfer is completed within stipulated statutory period. A copy of the certificate so received is submitted to both the stock exchanges, where shares of company are listed.

**h) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2026**

Size Of holding	No. Of Share Holders	Percentage (%)	No. of Shares	Percentage (%)
Up to 500	38825	75.8909	4296376	1.8282
501 to 1000	4958	9.6914	4236033	1.8026
1001 to 2000	3322	6.4935	5267180	2.2414
2001 to 3000	1078	2.1072	2800920	1.1919
3001 to 4000	730	1.4269	2727656	1.1607
4001 to 5000	511	0.9987	2462406	1.0478
5001 to 10000	897	1.7534	6829369	2.9061
Above 10000	838	1.638	206380060	87.8213
<b>Total</b>	<b>51159</b>	<b>100.000</b>	<b>235000000</b>	<b>100.000</b>

**b. Categories of Equity Shareholders**

Sr. No.	Particulars	No. of Shares	% of Share Holding
1	<b>Promoters' Holdings:</b>		
	Individuals	316200	0.13
	Bodies Corporate	117400000	49.96
	<b>Sub Total</b>	<b>117716200</b>	<b>50.09</b>
2	<b>Non-Promoter Holdings:</b>		
	Individuals	80559652	34.28
	Banks & Other Financial Institution	1472048	0.62
	Mutual Fund	54000	0.02
	HUF	9021724	3.84
	Bodies Corporate	21499322	9.14
	Overseas Body Corporate	6000	0.02
	NRI	1391694	0.59
	Clearing members	1645915	0.70
	Foreign Portfolio Investor	420000	0.18
	LLP	1213445	0.52
	<b>Sub Total</b>	<b>117283800</b>	<b>49.91</b>
	<b>Grand Total (1+2)</b>	<b>235000000</b>	<b>100</b>

**i) DEMATERIALISATION OF SHARES AND LIQUIDITY:**

The share of the Company are traded in dematerialized form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholder can hold the company's share with any of the depository participant. The International Securities Identification No. (ISIN) for company's shares is INE600A01035. As on March 31, 2026, 99.48% shares of the company are in dematerialized form with the depositories.

**j) OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

As on March 31, 2026, the company does not have any outstanding GDRs/ ADRs/ Warrants or any other convertible instruments.

**k) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES- No such risk is faced by Company during FY 2025-26**

**l) LOCATION OF PLANTS:** Kodyat Road, Village: Sisarma, Udaipur (Raj.) -313031 AND Survey No. 95 (Old Sr. No. 34/1/1) Opp. Huhtamaki Ltd, Sayli, Umarkui Dadra & Nagar Haveli, Dadra and Nagar Haveli, 396230.

**Depot:** Bengaluru, Bhiwandi, Bhubaneswar, Ghaziabad, Jaipur, Zirakpur, Kanpur, Patna, Kolkata, Nagpur and Guntur.

**m) ADDRESS FOR CORRESPONDENCE**

	Contact	Email	Address
Investor Relation Department of Company	Mr. Rajat Raja Kothari, Company Secretary and Compliance Officer	corporate@italica.com	PIL ITALICA LIFESTYLE LIMITED Kodyat Road, Village Sisarma, Udaipur (Raj.) – 313031 Mob No.: 7230092282
Registrar & Transfer Agent	MUFG Intime India Pvt. Ltd. (Previously known as Link Intime India Pvt. Ltd.)	rnt.helpdesk@in.mpms.mufg.com	MUFG INTIME INDIA PRIVATE LIMITED (Previously known as LINK INTIME INDIA PVT. LTD.) 247 Park, C-101 1st Floor, LBS Marg, Vikroli (W), Mumbai - 400083 Tel No.: 022-49186000 Fax No.: 022-49186060

**n) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad –**  
Not Applicable.

**11) OTHER DISCLOSURES**

**a) Materially Significant related party transaction:** All the related party transactions have been done at arm's length price and in the ordinary course of Business with the prior approval of Audit Committee. Policy related to related party transactions of the company is also available on the website of the company at [www.italica.com](http://www.italica.com).

**b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:** The Company has not been penalized, nor have the Stock Exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

**c) Vigil Mechanism/ Whistle Blower Policy:** In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.

**d) Details of compliance with mandatory requirements and adoption of the no mandatory requirements:** The Board of Directors periodically reviews the compliance of all applicable laws. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**e) Web link where policy for determining 'material' subsidiaries is disclosed:** The policy for determining material subsidiaries is available on the website of the company at [www.italica.com](http://www.italica.com) although it is not applicable on company.

**f) Web link where policy on dealing with related party transactions is disclosed:** The policy for determining related party transactions is available on the website of the company at [www.italica.com](http://www.italica.com)

**g) Commodity Price Risk or Foreign exchange risk and hedging activities**

The Company does not deal in commodities price risks and commodity hedging activities, hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) :** Not Applicable

**i) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:** The Certificate of Company Secretary in practice is annexed as herewith as Annexure 4 of this report.

**j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.**

During the Financial Year 2025-26, the Board has accepted all the recommendations of its Committees

**k) Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** The annual fees paid to Statutory Auditors during the Financial Year 2025-26 was ₹ 40000.

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

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, Company has constituted Internal Complaints Committee which is responsible for Redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment. There is no complaint received so disposed off and number of cases pending for more than 90 days is not applicable

**m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':**

During the FY 2025-26, the Company has not given any 'Loans and Advances' in the nature of loan to Firms/ Companies in which Directors are interested. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2025-26.

**n) Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries :**

The Company does not have Subsidiary Company as on reporting date. Hence, the said disclosure is not applicable.

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2025-26.

**12) DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II.**

**a) The Board of Directors:** The Company has a fixed Chairperson.

**b) Shareholder Rights:** As the Quarterly and Half Yearly Financial Results are published in the newspapers as well as displayed on the Company's website [www.italica.com](http://www.italica.com), hence the results are not sent to household of each of the shareholder. The complete Annual report is sent to each and every shareholder of the Company.

**c) Audit Qualifications:** The Auditors have raised no qualification on the financial statements for the year ended 31st March, 2026.

**d) Reporting of Internal Auditor:** The Internal Auditor of the Company reports directly to the Audit Committee of the Company.

**13) DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB REGULATION (2) OF REGULATION 46.**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report from M/s H. R. Jain & Co. Chartered Accountant have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V of the SEBI Listing Regulations and the said certificate is annexed to the Report.

**14) DECLARATION SIGNED BY MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. The Board has adopted a Code of conduct for Directors and Senior Management of the Company. The Code is available on the website of the Company: www.italica.com and the declaration is annexed as Annexure 1 and forms part of corporate governance report.

**15) COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE SHALL BE ANNEXED WITH THE DIRECTORS REPORT.**

The certificate from M/s H. R. Jain & Co. Chartered Accountant statutory auditor of the company regarding compliance of conditions of corporate governance is annexed as Annexure 2 and forms an integral part of the Annual Report.

**16) C.E.O. /C.F.O. Certification:**

The required certificate under Regulation 17(8) of the Listing Regulations signed by the Managing Director (C.E.O.) and the Chief Financial Officer (C.F.O.) is attached as Annexure 3 with this report.

**17) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

**18) DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES:**

1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations- Not Applicable.

**19) OTHER USEFUL INFORMATION FOR SHAREHOLDERS:**

**Green Initiative by MCA:**

In compliance with the provisions of Section 20 of the companies act, 2013 and as a continuous endeavor towards 'Go Green' initiative, the company proposes to send all correspondences/ communications through email to those shareholder's, who have registered their email Id with their depository participant's/ company registrar and share transfer agent. In case the shareholder's is desire to receive printed copy of such communications, they may send requisition to the company. The company will forthwith send a printed copy of the communication to the respective shareholder.

**Consolidation of Multiple Folios:**

Shareholder(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.

**Nomination Facility:**

Provision of Section 72 of the Companies Act, 2013 read with rule 19(1) of the rules made thereunder extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective DPs.

**Update your Correspondence Address / Bank Mandate / Email Id:**

To ensure all communications/ monetary benefits received promptly, all shareholders holding shares in physical form are requested to notify to the Company change in their address / bank details/email Id instantly by written request under the signatures of sole/first joint holder. Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details/address/email Id directly with their respective DPs.

**Quote Folio No. / DP ID No.:**

Shareholders / Beneficial Owners are requested to quote their Folio Nos. / DP ID Nos., as the case may be, in all correspondence with the Company. Shareholders are also requested to quote their Email IDs, Contact / Fax numbers for prompt reply to their correspondence.

# Annexure 1

## Declaration affirming compliance with Code of Conduct

I hereby confirm that the company has obtained from all the members of the Board and Senior Management team, affirmation of Compliance with the Code of Conduct for Directors and senior Management in respect of the financial year ended on March 31, 2026. Board Composition and category of directors during the Financial Year 2025-26:

For **PIL ITALICA LIFESTYLE LIMITED**

Sd/-  
**Daud Ali**

Managing Director  
DIN: 00185336

**Date:** 01.04.2026

**Place:** Udaipur

For and on behalf of the Board of Directors

Place: Udaipur  
Date: 07.05.2026

Sd/-  
**Daud Ali**  
Managing Director  
DIN: 00185336

Sd/-  
**Narendra Bhanawat**  
Whole Time Director & CFO  
DIN: 00146824

# Annexure 2

## AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To,  
The Board of Directors  
**PIL ITALICA LIFESTYLE LIMITED,**  
Kodiyat Road, Sisarma  
Udaipur

We have examined the compliance of conditions of Corporate Governance by **PIL ITALICA LIFESTYLE** Limited for the year ended on 31st March, 2026 ("Period Under Review").

We certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Compliance of the conditions of Corporate Governance is the responsibility of the management/board of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India (if any), we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March, 2026.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **H.R.Jain & Co.**  
Chartered Accountants  
ICAI FRN: 000262C

Sd/-  
**Manoj Jain**  
(Partner)

M.No. - 400459  
UDIN : 26400459SZVYBY7307

**Place:** Udaipur  
**Date:** 07.05.2026

# Annexure 3

## CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We, Daud Ali, Managing Director and Narendra Bhanawat, Whole Time Director and CFO of **PIL ITALICA LIFESTYLE LIMITED**, to the best of our knowledge and belief hereby certify that:

- a) We have reviewed financial statements and the cash flow statement of **PIL ITALICA LIFESTYLE LIMITED** for the year ended 31st March, 2026 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting.  
We have not come across any reportable deficiencies in the design or operation of such internal controls.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) that there are no significant changes in internal control over financial reporting during the year;
  - ii) that there are no significant changes in accounting policies during the year; and
  - iii) that there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board of Directors

Sd/-

**Daud Ali**

Managing Director  
DIN: 00185336

Sd/-

**Narendra Bhanawat**

Whole Time Director & CFO  
DIN: 00146824

Place: Udaipur  
Date: 07.05.2026

# Annexure 4

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**PIL ITALICA LIFESTYLE LIMITED**  
KODIYAT ROAD, VILLAGE: SISARMA  
UDAIPUR (RAJ.) – 313031

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PIL ITALICA LIFESTYLE LIMITED** having CIN – L25207RJ1992PLC006576 having registered office at Kodyat Road, Village: Sisarma, Udaipur (Raj.) – 313031 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	DESIGNATION	Date of appointment in Company
1	Daud Ali	00185336	Managing Director	01.05.1992
2	Mukesh Kumar Kothari	03103336	Non-Executive Non- Independent Director	25.01.2010
3	Narendra Bhanawat	00146824	Whole Time Director	21.07.2010
4	Himanshu Surendrakumar Gupta	09607045	Non-Executive Independent Director	21.05.2022
5	Apeksha Agiwal	10083559	Non-Executive Independent Director	29.03.2023
6	Sonal Mantri	10616908	Non-Executive Independent Director	09.05.2024

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

For **P. Talesara & Associates**  
Company Secretaries

Sd/-  
**(Pawan Talesara)**  
Proprietor

FCS No.: 8096, C P No.: 2674  
UDIN: F008096H000284341

Place: Udaipur (Raj.)  
Date: 05.05.2026

# Annexure E

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

### 1. Brief outline on CSR Policy of the Company:

The report on Corporate Social Responsibility for the FY 2025-2026 including an overview of projects or programs proposed to be undertaken by the Company.

### CSR policy is stated herein below:

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to:

- Work actively in areas of eradication of hunger and poverty, provide opportunity and financial assistance for the promotion of education, provide medical aid to the needy and down trodden and building old age home for the senior citizen who are deprived from their home.
- Collaborate with likeminded bodies like Voluntary organizations, charitable trusts, governments and academic institutes in pursuit of our goals.
- Interact regularly with stakeholders, review and publicly report our CSR initiatives.

### 2. Composition of CSR Committee:

Since the total amount to be spend for CSR is less than INR 50 lakhs therefore the liability to form CSR Committee does not arise. The Board formed its CSR Policy and accordingly amount has been spent through various CSR activities. The Board in its meeting held on 28.10.2025 and 20.01.2026 decided to Spent CSR amount through Charitable Trust.

### 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company:

[https://cdn.shopify.com/s/files/1/0550/4466/9495/files/CSR\\_POLICY\\_PIL\\_95068455-9c1d-45d6-ac9d-c2dedfb0f64a.pdf?v=1730119505](https://cdn.shopify.com/s/files/1/0550/4466/9495/files/CSR_POLICY_PIL_95068455-9c1d-45d6-ac9d-c2dedfb0f64a.pdf?v=1730119505)  
www.italica.com

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

Not Applicable

### 5.

(a) Average net profit of the company as per sub-section (5) of section 135:	₹ 553.40 Lakhs
(b) Two percent of average net profit of the company as per sub-section (5) of section 135:	₹ 11.07 Lakhs
(c) Surplus arising out of the CSR Projects or program or activities of the previous financial years:	₹ 0.07 LAKHS
(d) Amount required to be set-off for the financial year, if any:	₹ 0.07 LAKHS
(e) Total CSR obligation for the financial year [(b) + (c) - (d)]:	₹ 11 LAKHS

### 6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹ 11.10 LAKHS
(b) Amount spent in Administrative Overheads:	NA
(c) Amount spent on Impact Assessment, if applicable:	NA
(d) Total amount spent for the Financial Year [(a) + (b) + (c)]:	₹ 11.10 LAKHS
(e) CSR amount spent or unspent for the Financial Year:	

Total Amount Spent for the Financial Year. (in ₹) (In Lakh)	Amount Unspent (in ₹) (In Lacs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
11.10	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sr. No.	Particular	Amount (in ₹) (in Lacs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	11.07
(ii)	Total amount spent for the Financial Year	11.10
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]*	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.07
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.10

\* Excess amount spend is the sum of total amount spend for the financial year and amount carried forward from previous year after setting off current financial year obligation.

**7. Details of CSR amount spent against ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Project Duration	Amount allocated for the project (₹ In Lakhs)	Amount spent in the current financial year (₹ In Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ In Lakhs)	Mode of Implementation — Direct (Yes/ No)	Name	CSR Registration Number
Not Applicable												

**8. Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project (in lakhs)	Mode of implementation — Direct (Yes/No)	Mode of implementation - Through Implementing Agency
				State	District		Name CSR Registration No.
1.	Setting up of old age home	Item No. (iii) from the list	Yes	Rajasthan	₹ 11,10,000.00 (Rupee Eleven Lakhs Ten Thousand Only)	No	Asha Dham Ashram Society CSR00013178

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

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)
					CSR Registration No. if Applicable Name Registered address
-	-	-	-	-	-

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

For and on behalf of the Board of Directors

Place: Udaipur  
Date: 07.05.2026

Sd/-  
**Daud Ali**  
Managing Director  
DIN: 00185336

Sd/-  
**Narendra Bhanawat**  
Whole Time Director & CFO  
DIN: 00146824

# Annexure F

## FORM 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 transaction under third proviso is given below:

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

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship	NIL
2	Nature of contracts/arrangements/transactions	NIL
3	Duration of the contracts/arrangements/transactions	NIL
4	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions	NIL
6	Date(s) of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

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

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship	DA Tradetech Private Limited
2	Nature of contracts/arrangements/transactions	Rent received from DA Tradetech Private Limited @ ₹ 5000 per month.
3	Duration of the contracts/arrangements/transactions	11 Months
4	Salient terms of the contracts or arrangements or transactions including the value, if any	In the normal course of business
5	Amount paid as advance, if any	NIL
6	Date(s) of approval by the Board	28.10.2025

## AUDITOR'S REPORT

# Independent Auditor's Report

## On the Audit of the Standalone Financial Statements

TO THE MEMBERS OF PIL ITALICA LIFESTYLE LIMITED

### STATEMENTS OPINION

We have audited the accompanying standalone financial statements of PIL ITALICA LIFESTYLE LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

On the facts and circumstances of the Company and the audit, we determine that there are no key Audit matters to communicate.

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

- 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.

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

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

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

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

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

iii. There has been no delay in transferring amounts, 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.

v. The Company has neither proposed nor paid any dividend during the previous year and during the current year hence compliance as per section 123 of the companies' act is not applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same was in operation throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirement for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **H R JAIN & CO.**,  
Chartered Accountants  
Firm's Registration No. 000262C

Sd/-  
**Manoj Jain**  
Partner

Membership No.: 400459  
ICAI UDIN:26400459NLWCGY2539

Place: Udaipur  
Date: 07.05.2026

# Annexure A

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **PIL Italica Lifestyle Limited**)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **PIL ITALICA LIFESTYLE LIMITED** (the "Company") as of March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Management of the Company 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 (the "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 over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend

on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the criteria for internal financial control over financial reporting 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 ICAI.

For **H R JAIN & CO.**,  
Chartered Accountants  
Firm's Registration No. 000262C

Sd/-  
**Manoj Jain**  
Partner

Membership No.: 400459  
ICAI UDIN:26400459NLWCGY2539

**Place:** Udaipur  
**Date:** 07.05.2026

# Annexure B

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **PIL ITALICA LIFESTYLE LIMITED** of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) According to information's and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the names of the company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us that the inventory has been physically verified during the year by management. In our opinion the frequency of verification is reasonable and the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business; and the company is maintaining proper records of inventory, no material discrepancies were noticed on physical verification of the inventory.
- (b) The Company is availing working capital in excess of ₹ 5 crores during the year on the basis of security of

current assets and the quarterly returns or statements filed by the company with financial institutions or banks, are in agreement with the books of account of the Company.

- iii. During the year the Company has not made investments in but has granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties but has not stood guarantee or provided security to any other entity,
  - (a) During the year the Company has provided loans or provided advances in the nature of loans but has not stood guarantee or provided security to any other entity
    - (A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiaries, joint ventures and associates; - NIL
    - (B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to parties other than subsidiaries, joint ventures and associates;

	<b>Aggregate amount during the year</b>	<b>Amount outstanding as on 31/03/2026</b>
	<b>₹ In lakhs</b>	
Loan to others	1052.00	3001.50

- (b) The Company has neither provided guarantees nor given security. The investments made are not prejudicial to the interest of the Company. Further the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the Company's interest.
- (c) in respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.
- (d) In respect of aforesaid loans, there is no amount overdue for more than ninety days.
- (e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties;

- (f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under;

Aggregate amount (₹ In lakhs)	% of the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 (₹ In lakhs)
1052.00	100 %	NIL

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(V) of the Order is not applicable.
- vi. The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not conducted a detailed examination of these records to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there is no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount in lakhs
FEMA Act, 1999	Penalty	Rajasthan High Court, Jodhpur	2003-2004	122.00

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted on repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and the records of the Company examined by us, The Company has not taken term loan during the year.
- (d) According to the information and explanations given to us, and the procedure performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been utilised for long term purposes by the Company.
- (e) The Company do not have any subsidiary, associate,
- and joint venture hence reporting under clause 3(ix) (e) and (f) of the order are not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 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's 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 we have 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's 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 reporting under clause 3 (xi) (b) of the order is not applicable to the Company.

- (c) 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's and explanations given to us and as represented by the Management, the Company has received no whistle blower complaints during the year. Accordingly reporting under clause 3 (xi) (c) of the order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable

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

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

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion and according to information's and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)

(b) The Company has not conducted any Non-Banking Financial or Housing Financial activities without a valid certificate of registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934, Accordingly reporting under clause 3 (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 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 Company, The Company does not have any CIC, we have not however, separately evaluated whether the information provided by the management is accurate and complete, accordingly 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 been no resignation of the statutory auditors of the company during the year.

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

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 50 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

xxi. Clause (xxi) of CARO, 2020 is not applicable as this audit report is relating to standalone financial statements.

For **H R JAIN & CO.**,  
Chartered Accountants  
Firm's Registration No. 000262C

Sd/-  
**Manoj Jain**  
Partner

Membership No.: 400459  
ICAI UDIN:26400459NLWCGY2539

Place: Udaipur  
Date: 07.05.2026

# Balance Sheet

as at March 31, 2026

Particulars	Notes	(₹ in Lakhs)	
		As at March 31, 2026	As at March 31, 2025
<b>A ASSETS</b>			
<b>1 Non Current assets</b>			
(a) Property, plant and equipment	4	4,814.25	4,365.49
(b) Capital work in progress		-	-
(c) Investment Properties		-	-
(d) Goodwill		-	-
(e) Other Intangible assets	5	12.08	12.88
(f) Intangible Assets under Development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets			
(1) Investments	6	248.93	248.93
(2) Trade receivables		-	-
(3) Loans		-	-
(4) Others		-	-
(i) Deferred Tax Assets (net)		-	-
(j) Other Non Current assets	7	67.95	63.33
<b>Total Non Current Assets</b>		<b>5,143.21</b>	<b>4,690.63</b>
<b>2 Current Assets</b>			
(a) Inventories	8	1,966.37	1,666.47
(b) Financial Assets			
(1) Investments		-	-
(2) Trade Receivables	9	470.11	563.59
(3) Cash and cash equivalents	10	36.20	37.90
(4) Bank Balances other than cash and cash equivalents	11	235.64	214.96
(5) Loans	12	3,013.91	2,289.67
(6) Others		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	13	170.63	249.52
<b>Total Current Assets</b>		<b>5,892.86</b>	<b>5,022.11</b>
<b>Total Assets</b>		<b>11,036.07</b>	<b>9,712.74</b>
<b>B EQUITY AND LIABILITIES</b>			
(a) Equity Share Capital	14	2,350.00	2,350.00
(b) Other Equity	15	6,041.82	5,592.46
<b>Total Equity</b>		<b>8,391.82</b>	<b>7,942.46</b>
<b>Liabilities</b>			
<b>1 Non Current Liabilities</b>			
(a) Financial Liabilities			
(1) Borrowings	16	15.69	39.90
(A) Lease Liabilities		-	-
(2) Trade Payables		-	-
(3) Other Financial Liabilities (other than those specified in item b)		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities Net	35	418.92	299.39
(d) Other Non Current Liabilities		-	-
<b>Total Non Current Liabilities</b>		<b>434.61</b>	<b>339.29</b>
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(1) Borrowings	17	1,526.15	907.02
(A) Lease Liabilities		-	-
(2) Trade Payables		-	-
(A) Total outstanding of micro and small Enterprises		-	-
(B) Total outstanding other than micro and small Enterprises	18	374.36	101.79
(3) Other Financial Liabilities (other than those specified)		-	-
(b) Other current liabilities	19	241.74	332.29
(c) Provisions	20	52.39	41.18
(d) Current Tax Liabilities (Net)	21	15.00	48.71
<b>Total Current Liabilities</b>		<b>2,209.64</b>	<b>1,430.99</b>
<b>Total Liabilities</b>		<b>2,644.25</b>	<b>1,770.28</b>
<b>Total Equity and Liabilities</b>		<b>11,036.07</b>	<b>9,712.74</b>

See accompanying notes to financial statements. 1 to 64

As per our audit report of even date

For H.R.JAIN &amp; CO.

Chartered Accountants

Firm Reg. No.000262C

Sd/

Manoj Jain

Partner

Membership No. 400459

Place: Udaipur

Date: 07.05.2026

UDIN:26400459NLWCGY2539

For and on behalf of the Board of Directors

Sd/  
Daud Ali  
Managing Director  
DIN : 00185336Sd/  
Rajat Raja Kothari  
Company Secretary  
M. No.: A51610Sd/  
Narendra Bhanawat  
Whole Time Director  
Chief Financial Officer  
DIN : 00146824

# Statement of Profit and Loss

For the year ended March 31, 2026

Particulars	Notes	(₹ in Lakhs)	
		For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue From Operations	22	10,834.17	10,014.90
Other Income	23	36.18	68.28
<b>Total Income</b>		<b>10,870.35</b>	<b>10,083.18</b>
<b>Expenses</b>			
Cost of materials consumed	24	5,818.32	5,349.34
Purchases of traded goods	25	362.27	262.88
Changes in inventories of Finished goods , WIP and Stock In Trade	26	(108.62)	71.73
Employee benefit expenses	27	1,394.43	1,134.89
Finance Costs	28	139.44	154.15
Depreciation and amortization expenses	29	188.55	149.70
Other Expenses	30	2,470.49	2,259.57
<b>Total expenses</b>		<b>10,264.88</b>	<b>9,382.26</b>
<b>Profit before exceptional item and tax</b>		<b>605.47</b>	<b>700.92</b>
Exceptional items	-	-	-
<b>Profit before tax</b>		<b>605.47</b>	<b>700.92</b>
<b>Tax expenses:</b>			
Current Tax	35	36.58	79.46
Deferred tax	35	119.53	156.11
<b>Profit for the year from continuing operations</b>		<b>449.36</b>	<b>524.26</b>
Profit for the year from dis continuing operations		-	-
Tax expenses of discontinuing operations		-	-
<b>Profit (Loss) for the period</b>		<b>449.36</b>	<b>524.26</b>
Other comprehensive income			
(a) Items that will not to be reclassified to P&L			
Remeasurement of the defined benefit plan		-	-
Income Tax on items not to be reclassified to P&L		-	-
(b) Items that will be reclassified to P&L		-	-
Income Tax on items reclassified to P&L		-	-
<b>Total comprehensive income for the year</b>		<b>449.36</b>	<b>524.26</b>
Earning per share of continuing operation(of ₹1/- each)			
Basic earning per share ₹1/-	31	0.19	0.22
Diluted earnings per share ₹1/-	31	0.19	0.22
Earning per share of dis continuing operation(of ₹1/- each)			
Basic earning per share ₹1/-			
Diluted earnings per share ₹1/-			
Earning per share of continuing and dis continued operation			
Basic earning per share ₹1/-		0.19	0.22
Diluted earnings per share ₹1/-		0.19	0.22

See accompanying notes to financial statements. 1 to 64

As per our audit report of even date

For H.R.JAIN &amp; CO.

Chartered Accountants

Firm Reg. No.000262C

Sd/

Manoj Jain

Partner

Membership No. 400459

Place: Udaipur

Date: 07.05.2026

UDIN:26400459NLWCGY2539

For and on behalf of the Board of Directors

Sd/  
Daud Ali  
Managing Director  
DIN : 00185336Sd/  
Rajat Raja Kothari  
Company Secretary  
M. No.: A51610Sd/  
Narendra Bhanawat  
Whole Time Director  
Chief Financial Officer  
DIN : 00146824

# Cash Flow Statement

For the year ended March 31, 2026

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>(A) CASH FLOW FROM OPEARTING ACTIVITIES</b>		
Net profit before tax	605.47	700.92
<b>Adjustment for</b>		
Depreciation and amortization expenses	188.55	149.70
Interest expenses	139.44	154.15
Provision for leave encashment	11.21	9.36
Profit on sale of property ,plant and equipment	(26.29)	(65.27)
<b>Operating profit before working capital changes</b>	<b>918.38</b>	<b>948.86</b>
<b>Adjustment for</b>		
(Increase) /Decrease non current assets-other assets	(4.62)	(1.36)
(Increase) /Decrease in inventories	(299.90)	114.77
(Increase) /Decrease in trade receivables	93.48	89.24
(Increase) /Decrease in current assets-loans	(724.24)	1,051.19
(Increase) /Decrease in current tax assets	-	64.78
(Increase) /Decrease in other current assets	78.89	31.76
(Increase) /Decrease in Bank Balances other than cash and cash equivalent	(20.68)	(33.30)
Increase /(Decrease ) in trade payables	272.57	(105.42)
Increase /(Decrease ) in other current liabilities	(90.55)	42.08
<b>Cash Generated from operations</b>	<b>223.33</b>	<b>2,202.60</b>
Income taxes paid during the year	(70.29)	(30.75)
<b>Net cash Inflow /(outflow) from operations-(A)</b>	<b>153.04</b>	<b>2,171.85</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of Property, Plant and Equipments	(654.20)	(1,815.26)
from sale of property, Plant and Equipment	43.98	442.66
<b>Net cash Inflow /(outflow) from Investing activities (B)</b>	<b>(610.22)</b>	<b>(1,372.60)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
From Borrowings	-	-
Proceeds from borrowing	57.85	-
Repayment of borrowing	(43.09)	(87.78)
Interest paid	(139.44)	(154.15)
<b>Net cash Inflow /(outflow) from financing activities (C)</b>	<b>(124.68)</b>	<b>(241.93)</b>
<b>Net increase /decrease in cash and cash equivalents</b>	<b>(581.86)</b>	<b>557.32</b>
<b>CASH AND CASH EQUIVALENTS</b>		
At the beginning of the year (Refer Note No 10)	37.90	6.68
<b>Less:</b> Cash credit at the beginning of the year (Refer Note No 17)	843.36	1,369.46
At the end of the year (Refer Note No 10)	36.20	37.90
<b>Less:</b> Cash Credit at the end of the year (Refer Note No 17)	1,423.52	843.36
<b>Net Increase (Decrease) in cash and cash equivalent</b>	<b>(581.86)</b>	<b>557.32</b>
<b>Cash and cash equivalent as per above comprise of the following (Refer Note No 10)</b>		
Cash on hand	4.15	5.23
Balances with schedule bank in current account	32.05	32.67
<b>Cash and cash equivalent</b>	<b>36.20</b>	<b>37.90</b>

The above statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting standrad (IND AS 7) "Statement of Cash Flows" specified under section 133 of the Companies Act 2013.

See accompnaying notes to financial statements. 1 to 64

This is the statement of cash flow is referred in our audit report of even date.

For **H.R.JAIN & CO.**  
Chartered Accountants  
Firm Reg. No.000262C  
Sd/  
**Manoj Jain**  
Partner  
Membership No. 400459  
**Place:** Udaipur  
**Date:** 07.05.2026  
UDIN:26400459NLWCGY2539

For and on behalf of the Board of Directors

Sd/- <b>Daud Ali</b> Managing Director DIN : 00185336	Sd/- <b>Rajat Raja Kothari</b> Company Secretary M. No.: A51610	Sd/- <b>Narendra Bhanawat</b> Whole Time Director Chief Financial Officer DIN : 00146824
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# Statement of Changes in Equity

For the year ended March 31, 2026

## (A) EQUITY SHARE CAPITAL

(₹ in Lakhs)					
Equity Share Capital	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	changes in equity share capital during the current year	Balance at the end of the reporting period
For the year ended on March 31, 2026	2,350.00	-	-	-	2,350.00
For the year ended on March 31, 2025	2,350.00	-	-	-	2,350.00

## (B) Other Equity

(₹ in Lakhs)					
Other Equity	Securities Premium	General Reserve	Retained Earnings	Total	
Balances at the beginning of reporting period April 1, 2025	4,036.00	25.13	1,531.33	5,592.46	
Profit for the year	-	-	449.36	449.36	
<b>Balances at the end of reporting period March 31, 2026</b>	<b>4,036.00</b>	<b>25.13</b>	<b>1,980.69</b>	<b>6,041.82</b>	
Balances at the beginning of reporting period April 1, 2024	4,036.00	25.13	1,007.07	5,068.20	
Profit for the year	-	-	524.26	524.26	
<b>Balances at the end of reporting period March 31, 2025</b>	<b>4,036.00</b>	<b>25.13</b>	<b>1,531.33</b>	<b>5,592.46</b>	

For **H.R.JAIN & CO.**

Chartered Accountants  
Firm Reg. No.000262C  
Sd/  
**Manoj Jain**  
Partner  
Membership No. 400459  
**Place:** Udaipur  
**Date:** 07.05.2026  
UDIN:26400459NLWCGY2539

For and on behalf of the Board of Directors

Sd/- <b>Daud Ali</b> Managing Director DIN : 00185336	Sd/- <b>Rajat Raja Kothari</b> Company Secretary M. No.: A51610	Sd/- <b>Narendra Bhanawat</b> Whole Time Director Chief Financial Officer DIN : 00146824
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# Notes to the Financial Statements

For the year ended March 31, 2026

## NOTE 1 – CORPORATE INFORMATION

PIL ITALICA LIFESTYLE LIMITED (The Company) is a public limited company domiciled India and incorporated under the provisions of Companies Act, 1956. The Company is engaged in the manufacturing of Plastic Molded furniture and other articles. The Company was incorporated on March 16, 1992 and has its registered office at Kodiyat Road, Sisarma, Udaipur (Rajasthan), The Company shares are listed on National Stock Exchange and Bombay Stock Exchange.

## NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

### Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

## NOTE 3 – BASIS OF PREPARATION

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

### Operating Cycle

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 to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

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

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 Years
Plant and Equipment	25 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Intangible Assets	3 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

### Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant
- for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

### Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

### Inventories

- The valuation is on the basis of FIFO method.
- Raw Materials, Stores and Spare Parts, Colors and Pigments etc. and Stock in transit are valued at cost.
- Finished Goods and Work-in-Process are valued at estimated cost or net realizable value whichever is lower.
- Scrap is valued at net realizable value.

### Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

Financial instruments, Financial assets, Financial liabilities and Equity instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

### Financial Assets

#### Recognition:

Financial assets include Investments, Trade receivables,

Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

#### Classification:

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

#### Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

#### Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

#### Reclassification:

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

#### De-recognition:

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

#### Income Recognition:

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

#### Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

#### Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

#### Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax .

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

#### Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

#### Employee Benefits

##### i) Short-term Employee benefits

Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### ii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

#### Defined Benefit Plans

##### Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

##### Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

#### iii) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

#### Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

#### Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

#### Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

#### Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

#### Financial and Management Information Systems

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

#### Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a

significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

#### B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### 1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

##### 2. Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

##### 3. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

##### 4. Claims, Provisions and Contingent Liabilities:

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

#### NOTE 4 – PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Owned Assets							Total
	Land Free hold	Building	Plant and Equipment	Moulds	Furniture and fixtures	Vehicles	Office Equipments	
<b>Year ended March, 2026</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening Gross Carrying Amount	527.68	1,493.62	1,677.46	3,351.70	9.20	61.10	76.26	7,197.02
Additions	–	–	133.52	503.38	0.84	–	15.86	653.60
Disposals/Adjustment	–	–	165.74	94.01	0.12	–	–	259.87
<b>Closing Gross Carrying Amount</b>	<b>527.68</b>	<b>1,493.62</b>	<b>1,645.24</b>	<b>3,761.07</b>	<b>9.92</b>	<b>61.10</b>	<b>92.12</b>	<b>7,590.75</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening Accumulated Depreciation	–	626.72	648.27	1,492.19	2.82	22.31	39.22	2,831.53
Depreciation charged during the year	–	39.43	45.46	82.81	0.84	7.25	11.35	187.14
Disposals/Adjustments	–	–	151.91	90.24	0.02	–	–	242.17
<b>Closing Accumulated Depreciation</b>	<b>–</b>	<b>666.15</b>	<b>541.82</b>	<b>1,484.76</b>	<b>3.64</b>	<b>29.56</b>	<b>50.57</b>	<b>2,776.50</b>
<b>Net Carrying Amount</b>	<b>527.68</b>	<b>827.47</b>	<b>1,103.42</b>	<b>2,276.31</b>	<b>6.28</b>	<b>31.54</b>	<b>41.55</b>	<b>4,814.25</b>
<b>Year ended March, 2025</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening Gross Carrying Amount	511.43	1,405.51	1,246.74	3,865.21	7.22	60.95	53.00	7,150.06
Additions	16.25	88.11	544.39	1,140.43	1.98	0.15	23.26	1,814.57
Disposals/Adjustment	–	–	113.67	1,653.94	–	–	–	1,767.61
<b>Closing Gross Carrying Amount</b>	<b>527.68</b>	<b>1,493.62</b>	<b>1,677.46</b>	<b>3,351.70</b>	<b>9.20</b>	<b>61.10</b>	<b>76.26</b>	<b>7,197.02</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening Accumulated Depreciation	–	585.79	704.45	2,736.54	2.07	15.06	29.70	4,073.61
Depreciation charged during the year	–	40.93	32.70	56.99	0.75	7.25	9.52	148.14
Disposals/Adjustments	–	–	88.88	1,301.34	–	–	–	1,390.22
<b>Closing Accumulated Depreciation</b>	<b>–</b>	<b>626.72</b>	<b>648.27</b>	<b>1,492.19</b>	<b>2.82</b>	<b>22.31</b>	<b>39.22</b>	<b>2,831.53</b>
<b>Net Carrying Amount</b>	<b>527.68</b>	<b>866.90</b>	<b>1,029.19</b>	<b>1,859.51</b>	<b>6.38</b>	<b>38.79</b>	<b>37.04</b>	<b>4,365.49</b>

## NOTE 5 – INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Owned Assets	
	Software	Total
<b>Year ended March, 2026</b>		
<b>GROSS CARRYING AMOUNT</b>		
Opening Gross Carrying Amount	32.87	32.87
Additions	0.60	0.60
Disposals/Adjustment	–	–
<b>Closing Gross Carrying Amount</b>	<b>33.47</b>	<b>33.47</b>
<b>ACCUMULATED DEPRECIATION</b>		
Opening Accumulated Depreciation	19.99	19.99
Depreciation charged during the year	1.40	1.40
Disposals/Adjustments	–	–
<b>Closing Accumulated Depreciation</b>	<b>21.39</b>	<b>21.39</b>
<b>Net Carrying Amount</b>	<b>12.08</b>	<b>12.08</b>
<b>Year ended March, 2025</b>		
<b>GROSS CARRYING AMOUNT</b>		
Opening Gross Carrying Amount	32.18	32.18
Additions	0.69	0.69
Disposals/Adjustment	–	–
<b>Closing Gross Carrying Amount</b>	<b>32.87</b>	<b>32.87</b>
<b>ACCUMULATED DEPRECIATION</b>		
Opening Accumulated Depreciation	18.43	18.43
Depreciation charged during the year	1.56	1.56
Disposals/Adjustments	–	–
<b>Closing Accumulated Depreciation</b>	<b>19.99</b>	<b>19.99</b>
<b>Net Carrying Amount</b>	<b>12.88</b>	<b>12.88</b>

**Note:**

- (a) There are no immovable Properties whose title deeds are not in the name of the Company .  
(b) The Company has not revalued Property, Plant and Equipment .  
(c) The Company has not revalued its intangible assets.  
(d) The Company do not have any capital work in progress.  
(e) There is no intangible assets under development.

## NOTE 6 – NON CURRENT ASSETS (INVESTMENTS)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
UNQUOTED -1421 (p.y. 1421) Compulsorily Convertible Preference Shares each of 10 in Atmosphere Workspace Solutions Private Limited	248.93	248.93
<b>Total</b>	<b>248.93</b>	<b>248.93</b>

**Note 6.1** Subject to Applicable Laws, the CCPS shall be converted in the ratio of 1 (one) Equity Share for 1 (one) CCPS ("CCPS Conversion Ratio"), at any time at the option of the holder of the CCPS.

## NOTE 7 – OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Security deposits	67.95	63.33
<b>Total</b>	<b>67.95</b>	<b>63.33</b>

## NOTE 8 – CURRENT ASSETS (INVENTORIES)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Lower of cost or net realizable value		
(a) Raw Material	624.62	467.08
(b) Work in progress	96.83	65.29
(c) Finished goods	942.94	870.25
(d) Stock in trade	98.33	93.94
(e) Stores and spares	53.23	48.14
(f) Packing material	150.42	121.77
<b>Total</b>	<b>1,966.37</b>	<b>1,666.47</b>

## NOTE 9 – TRADE RECEIVABLES (AT AMORTIZED COST)

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Trade Receivables – Considered good secured	–	–
Trade Receivables – Considered good un secured	470.11	563.59
Trade Receivables which have significant increase in credit risk		
Trade Receivables – Credit Impaired		
Trade Receivables – Considered doubtful–unsecured	337.57	337.57
<b>Total</b>	<b>807.68</b>	<b>901.16</b>
less -Allowances for doubtful receivables	337.57	337.57
<b>Total</b>	<b>470.11</b>	<b>563.59</b>

**Note No. 9.1:** No trade receivables are due from directors of other officers of the company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

## Trade receivables ageing schedule for the year ended as on March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables – considered good – Unsecured	316.23	91.97	48.77	0.28	12.86	–	470.11
Trade receivables – which have significant increase in credit risk – Unsecured	–	–	–	–	–	–	–
Trade receivables – credit impaired – Unsecured	–	–	–	–	–	–	–
Trade receivables – considered doubtful – Unsecured	–	–	–	–	–	337.57	337.57
<b>Total</b>	<b>316.23</b>	<b>91.97</b>	<b>48.77</b>	<b>0.28</b>	<b>12.86</b>	<b>337.57</b>	<b>807.68</b>

## Trade receivables ageing schedule for the year ended as on March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables – considered good – Unsecured	317.99	226.73	2.87	10.02	5.98	–	563.59
Trade receivables – which have significant increase in credit risk – Unsecured	–	–	–	–	–	–	–
Trade receivables - credit impaired – Unsecured	–	–	–	–	–	–	–
Trade receivables - considered doubtful – Unsecured	–	–	–	–	–	337.57	337.57
<b>Total</b>	<b>317.99</b>	<b>226.73</b>	<b>2.87</b>	<b>10.02</b>	<b>5.98</b>	<b>337.57</b>	<b>901.16</b>

**NOTE 10 – CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Balances with banks in current accounts	32.05	32.67
Cash on hand	4.15	5.23
<b>Total</b>	<b>36.20</b>	<b>37.90</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

**NOTE 11 – BANK BALANCES (OTHER THAN CASH AND CASH EQUIVALENTS)**

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Balances with banks in fixed deposit (Fixed deposit having maturity more than three month, less than 12 Month)	235.64	214.96
<b>Total</b>	<b>235.64</b>	<b>214.96</b>

**Note 11.1** – Balance includes accrued interest on FDR ₹ 2.11 Lakhs (P.Y. 1.85 Lakhs)

**Note 11.2** – FDR's of ₹ 203.94 Lakhs pledged to ICICI towards Overdraft, of ₹ 2.28 Lakhs to ICICI towards Credit Card and of ₹ 26.66 Lakhs to DNH DD Power Distribution Corporation Limited towards electricity.

**NOTE 12 – LOANS (AT AMORTIZED COST) – CURRENT**

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Loans and advances to employees – Considered good – Unsecured	12.41	10.64
Loans and advances to employees – Considered doubtful – Unsecured	–	–
Loan to others – Considered good – unsecured	3,001.50	2,279.03
Loan to others – Considered doubtful – Unsecured	–	–
<b>Total</b>	<b>3,013.91</b>	<b>2,289.67</b>

**Note 12.1:** No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 47.

No loans and advances are due from directors or other officers and related party of the Company Loans or advances in the nature of loans granted to promoters, directors, KMPS and the related parties (a) Repayable on demand or (b) without specifying terms of period of repayment.

**NOTE 13 – OTHER ASSETS**

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
<b>Unsecured, Considered Goods</b>		
Prepaid Expenses	10.99	7.36
Others	94.06	187.40
Balances with government authorities	65.58	54.76
<b>Total</b>	<b>170.63</b>	<b>249.52</b>

**NOTE 14 – EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. Of Shares	Amount	No. Of Shares	Amount
Authorised				
Equity Shares of ₹ 1 each	250,000,000	2,500.00	250,000,000	2,500.00
<b>Total</b>	<b>250,000,000</b>	<b>2,500.00</b>	<b>250,000,000</b>	<b>2,500.00</b>
Issued, subscribed and fully paid up				
Equity Shares of ₹ 1 each	235,000,000	2,350.00	235,000,000	2,350.00
<b>Total</b>	<b>235,000,000</b>	<b>2,350.00</b>	<b>235,000,000</b>	<b>2,350.00</b>

**Note 14.1 – Reconciliation of No. of Shares**

(₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. Of Shares	Amount	No. Of Shares	Amount
Shares outstanding at the beginning of the year	235,000,000	2,350.00	235,000,000	2,350.00
Shares issued during the year	–	–	–	–
Shares outstanding at the end of the year	<b>235,000,000</b>	<b>2,350.00</b>	<b>235,000,000</b>	<b>2,350.00</b>

**Note 14.2 – Names of Share Holders holding more than 5%**

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Equity Shares	%	No. of Equity Shares	%
DA Trade Tech Private limited	117,400,000	49.96	117,400,000	49.96

**Note 14.3 – Shares held by promoter at the end of the year**

Promoter Name	No. Of Sharers	% of total shares	% changes during the year
Daud Ali	316,200	0.13	–
DA Trade Tech Private limited	117,400,000	49.96	–

**Note:** Same in previous year and no changes during the year.

**Note 14.4**

No Bonus Shares allotted during the period of five years immediately preceding the year .

**Note 14.5**

Other Disclosures - The Company has one class of equity shares having a par value @ ₹ 1 per share held. Each equity share holder is entitled to dividends as and when declared by the company. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their share holding.

The Company has not allotted any bonus shares during the period of five years immediately preceding March 31, 2026.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

## NOTE 15 – OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
<b>1. SECURITIES PREMIUM</b>		
As per the last year accounts	4,036.00	4,036.00
Add: Addition during the year	–	–
	<b>4,036.00</b>	<b>4,036.00</b>
<b>2. GENERAL RESERVE</b>		
As per the last year accounts	25.13	25.13
<b>3. RETAINED EARNINGS</b>		
As per the last year accounts	1,531.33	1,007.07
Add: Surplus for the year	449.36	524.26
	1,980.69	1,531.33
<b>TOTAL</b>	<b>6,041.82</b>	<b>5,592.46</b>

**1) Share Premium:**

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

**2) General Reserve**

This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period, the amount was transferred to it.

**3) Retained Earnings:**

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

## NOTE 16 – BORROWINGS (NON CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Secured – Uco Bank:</b>		
Covid Emergency Credit loan	–	16.28
Car Loan	15.69	23.62
<b>Total</b>	<b>15.69</b>	<b>39.90</b>

**(a) Car Loan from UCO Bank:**

Secured against hypothecation of Car No. MH01DT5202 and rate of interest is 8.95% and personal guarantee of Mr. Daud Ali, Managing Director of the Company. Monthly instalment is ₹ 0.56 Lakhs and Last Instalment is on 28 th July 2028.

Secured against hypothecation of Car No. RJ27CM6324 and rate of interest is 8.30% Monthly instalment is ₹ 0.22 Lakhs and Last Instalment is on 12th October 2030.

(b) There is no default in the payment of interest and principal.

## NOTE 17 – BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Secured</b>		
Current maturities of long term borrowings	7.43	26.31
Repayable on Demand		
From Banks		
<b>Uco Bank</b>		
Cash Credit Facilities	1,423.52	843.36
<b>ICICI BANK</b>		
Overdraft	95.20	37.35
<b>Total</b>	<b>1,526.15</b>	<b>907.02</b>

**(a) Cash Credit from UCO Bank:**

Secured against equitable mortgage of land and building of the company situated at Kodyat Road, Udaipur and by way of first charge of all current assets such as Raw Material, finished goods, work in progress, stores and spares, book debts and packing material etc. Also secured by way of personal guarantee of Mr. Daud Ali, Managing Director of the company. Rate of interest on cash credit as on 31.03.2026 is 9.20% p.a.

**(b) Overdraft from ICICI Bank:**

Secured against fixed deposit receipt of the company, rate of interest as on 31.03.2026 is 8.22 % p.a.

(c) There is no default in the payment of interest and principal.

## NOTE 18 – TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Outstanding of creditors micro and small enterprises	–	–
Total Outstanding of creditors other than micro and small enterprises	374.36	101.79
<b>Total</b>	<b>374.36</b>	<b>101.79</b>

Disputed Dues ( MSME and Others): NIL

## Trade payables ageing schedule for the year ended as on March 31, 2026

(₹ in Lakhs)

Particulars	Not due	Less than one year	1 year to 2 year	2 year to 3 year	more than 3 year	Total
Un-disputed – Outstanding dues to Micro and small enterprises	–	–	–	–	–	–
Un-disputed – Others	367.26	–	–	7.10	–	374.36
disputed – Outstanding dues to Micro and small enterprises	–	–	–	–	–	–
Disputed – Others	–	–	–	–	–	–

## Trade payables ageing schedule for the year ended as on March 31, 2025

(₹ in Lakhs)

Particulars	Not due	Less than one year	1 year to 2 year	2 year to 3 year	more than 3 year	Total
Un-disputed – Outstanding dues to Micro and small enterprises	–	–	–	–	–	–
Un-disputed – Others	94.02	1.12	6.65	–	–	101.79
disputed – Outstanding dues to Micro and small enterprises	–	–	–	–	–	–
Disputed – Others	–	–	–	–	–	–

## NOTE 19 – OTHER CURRENT LIABILITES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Statutory remittances	21.76	61.43
(b) Other payables	219.98	270.86
<b>Total</b>	<b>241.74</b>	<b>332.29</b>

## NOTE 20 – PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for leave encashment of employees	52.39	41.18
<b>Total</b>	<b>52.39</b>	<b>41.18</b>

## NOTE 21 – TAX PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax payable	15.00	48.71
<b>Total</b>	<b>15.00</b>	<b>48.71</b>

## NOTE 22 – REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	10,615.76	9,799.77
Income from Job Charges	23.26	-
Income from Interest	195.15	215.13
<b>Revenue from operations</b>	<b>10,834.17</b>	<b>10,014.90</b>

## NOTE 23 – OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on Income Tax refund	-	3.01
Miscellaneous	9.89	-
Profit on sale of property, plant & Equipment	26.29	65.27
<b>Total</b>	<b>36.18</b>	<b>68.28</b>

## NOTE 24 – COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Stock	467.08	540.68
<b>Add – Purchases</b>	<b>5,975.86</b>	<b>5,275.74</b>
<b>Less – Closing Stock</b>	<b>624.62</b>	<b>467.08</b>
<b>Total</b>	<b>5,818.32</b>	<b>5,349.34</b>

## NOTE 25 – PURCHASE OF TRADED GOODS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases	362.27	262.88
<b>Total</b>	<b>362.27</b>	<b>262.88</b>

## NOTE 26 – CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Inventories at the end of the year:</b>		
Finished goods	942.94	870.25
Work-in-progress	96.83	65.29
Stock in trade	98.33	93.94
	1,138.10	1,029.48
<b>Inventories at the beginning of the year:</b>		
Finished goods	870.25	806.47
Work-in-progress	65.29	217.93
Stock in trade	93.94	76.81
	1,029.48	1,101.21
<b>Net (increase) / decrease</b>	<b>(108.62)</b>	<b>71.73</b>

## NOTE 27 – EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	1,311.20	1,055.94
Contributions to provident and other funds	64.16	58.18
Staff welfare expenses	19.07	20.77
<b>Total</b>	<b>1,394.43</b>	<b>1,134.89</b>

Refer Note No. 33

## NOTE 28 – FINANCE COSTS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on Borrowing	129.73	148.55
Interest on Income Tax	4.11	-
Processing Fees for Cash Credit limits	5.60	5.60
<b>Total</b>	<b>139.44</b>	<b>154.15</b>

## NOTE 29 – DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation Expenses	188.55	148.14
Amortization Expenses	-	1.56
<b>Total</b>	<b>188.55</b>	<b>149.70</b>

## NOTE 30 - OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spare parts	50.48	89.27
Consumption of packing materials	436.83	417.83
Power and fuel	316.94	346.31
Lease rentals	-	53.06
Job Charges	11.62	20.42
Other Manufacturing Expenses	250.90	37.19
Listing Fees	5.85	5.85
Other Miscellaneous expenses	15.07	10.73
Rent	110.78	97.92
Bank Charges and commission	3.87	4.47
Advertisement and Publicity Expenses	141.16	120.81
Repairs and maintenance - Buildings	46.60	7.39
Repairs and maintenance - Others	15.85	13.86
Insurance	13.57	11.75
Communication	14.38	14.49
Travelling and conveyance	253.08	203.40
Printing and stationery	2.78	3.64
Freight and forwarding	414.78	339.85
Sales Expenses	36.68	47.71
Business Promotion Expenses	93.23	163.48
Rebate Claim and Discount	153.13	135.63
Commission on sales	18.96	41.57
Corporate Social Responsibility	11.10	9.01
Legal and professional	52.22	63.30
Payments to auditors As auditor		
As auditor	0.40	0.40
As certification	0.23	0.23
<b>Total</b>	<b>2,470.49</b>	<b>2,259.57</b>

**NOTE 31 – EARNING PER SHARE**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1) Profit after tax attributable to owners of the company	449.36	524.26
2) Earning used in the calculation of basic earnings for the year	449.36	524.26
3) Weighted average number of equity shares used as denominator for calculating Basic EPS	235,000,000	235,000,000
4) Weighted average number of equity shares and convertible warrants used as denominator for calculating diluted EPS	235,000,000	235,000,000
5) Basic earnings per share	0.19	0.22
6) Diluted earning per share	0.19	0.22

**NOTE 32 – CONTINGENT LIABILITIES**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Penalty imposed by the Enforcement Directorate – Net of deposit under protest – Subjudiced at High Court, Jodhpur	122.00	122.00

**NOTE 33 – RETIREMENT AND OTHER EMPLOYEE BENEFITS****(a) Family Pension Scheme**

The contribution are based on fixed percentage of the employees salary, subject to a ceiling as prescribed in the scheme.

**Defined Benefit plans****(a) Provident Fund**

The contribution are based on fixed percentage of the employees salary.

**Contribution to defined contribution plan, recognised as expenses for the year is as under**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employers contribution to Provident Fund	23.92	23.02
Employers contribution to Pension Fund	28.45	24.13
Employers contribution to EDLI	1.76	1.57
Employers contribution to National Pension Scheme	8.07	7.43
Employers contribution to ESI	1.96	2.03
<b>Total</b>	<b>64.16</b>	<b>58.18</b>

**(b) Gratuity Plan**

The Company participates in the Employees Group Gratuity – scheme of life insurance corporation limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the payment of gratuity (amendment) Act, 1997, or as per the company's scheme whichever is more beneficial to the employees.

**NOTE 34 – SEGMENTAL REPORTING**

The Company has identified two reportable segment i.e Manufacturing and finance taking in to account nature of product. The accounting policies adopted for segment reporting are in line with accounting policy of the company.

**Segment-wise Revenue, Results and Capital Employed**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Segment Revenue</b>		
1 Manufacturing	10,639.02	9,799.77
2 Finance	195.15	215.13
<b>Gross value of sales and services</b>	<b>10,834.17</b>	<b>10,014.90</b>
Less - Inter Segment transfers	-	-
Revenue From Operation	10,834.17	10,014.90
Other Income	36.18	68.28
<b>Total Revenue</b>	<b>10,870.35</b>	<b>10,083.18</b>
<b>Segment Results</b>		
1 Manufacturing	583.84	642.73
2 Finance	124.89	144.06
<b>Total Segment Results</b>	<b>708.73</b>	<b>786.79</b>
Other Income	36.18	68.28
<b>Profit before interest and tax</b>	<b>744.91</b>	<b>855.07</b>
Less: Interest	139.44	154.15
<b>Profit before tax</b>	<b>605.47</b>	<b>700.92</b>
Provision for tax		
Income Tax	36.58	79.46
Defered Tax	119.53	97.20
<b>Profit after tax</b>	<b>449.36</b>	<b>524.26</b>
<b>Segment Assets</b>		
1 Manufacturing	8,034.57	7,433.71
2 Finance	3,001.50	2,279.03
<b>Total</b>	<b>11,036.07</b>	<b>9,712.74</b>
<b>Segment Liabilities</b>		
1 Manufacturing	2,644.25	1,770.28
2 Finance	-	-
<b>Total</b>	<b>2,644.25</b>	<b>1,770.28</b>
<b>Capital Employed</b>	<b>8,391.82</b>	<b>7,942.46</b>
<b>Capital Expenditure</b>		
Manufacturing	654.20	1,815.26
<b>Depreciation and amortization</b>		
Manufacturing	188.55	149.70

**NOTE 35 – CURRENT TAX, DEFERRED TAX AND DEFERRED TAX ASSETS**

The major components for the year ended March 31, 2026 are as under

**TAX RECONCILIATIONS**

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Tax expenses recognised in the Statement of Profit and Loss</b>		
<b>Current Tax:</b>		
Current tax on profits for the year	36.58	79.46
Deferred tax (Net)	119.53	97.20
<b>Total income tax (Deferred Tax) expenses</b>	<b>156.11</b>	<b>176.66</b>

**Reconciliation of tax expenses and the accounting profit**

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below:

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before income tax	605.47	700.92
Indian statutory income tax rate	25.168%	25.168%
<b>Expected income tax expenses</b>	<b>152.38</b>	<b>176.41</b>
<b>Tax effect of adjustment to reconcile expected income tax Expenses to reported income tax Expenses</b>		
Tax impact of income not subject to tax	–	–
Tax impact due to 43 B of income tax act	3.86	2.36
Tax effects of amounts which are not deductible for taxable income	–	–
Additional tax paid on book profits	–	–
Others	(119.66)	(99.31)
	<b>(115.80)</b>	<b>(96.95)</b>
<b>Total income tax expenses</b>	<b>36.58</b>	<b>79.46</b>

**Deferred Tax (Liabilities)**

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Property Plant and Equipment and others	418.92	299.39
<b>Total deferred tax liabilities</b>	<b>418.92</b>	<b>299.39</b>

**Movement in Deferred tax Assets**

(₹ in Lakhs)

Particulars	Property, plant and equipment	Other deferred tax liability	MAT	Other Deferred Tax Assets	Deferred Tax Liabilities/Asset (Net)
As at 31st March, 2024	(209.67)	–	–	7.48	(202.19)
(Charged)/Credited to profit and Loss account	(98.73)	–	–	1.53	(97.20)
As at 31st March, 2025	(308.40)	–	–	9.01	(299.39)
(Charged)/Credited to profit and Loss account	(123.69)	–	–	4.16	(119.53)
As at 31st March, 2026	(432.09)	–	–	13.17	(418.92)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

The Company has opted taxation under section 115 BAA of income tax act, as per provisions of this section minimum alternate tax is not payable.

**NOTE 36 - FINANCIAL INSTRUMENTS****Financial Instruments and Related Disclosures:****1. Capital Management**

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt and adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current borrowing	15.69	39.90
Current borrowing	1,526.15	907.02
<b>Gross debt</b>	<b>1,541.84</b>	<b>946.92</b>
<b>Less: Cash and cash equivalents</b>	<b>36.20</b>	<b>37.90</b>
<b>Less: Other bank deposits</b>	<b>235.64</b>	<b>214.96</b>
<b>Adjusted net debt (A)</b>	<b>1,270.00</b>	<b>694.06</b>
<b>Total equity (B)</b>	<b>8,391.82</b>	<b>7,942.46</b>
adjusted net debt to equity ratio	15.13%	8.74%
<b>Total Capital (A+B)</b>	<b>9,661.82</b>	<b>8,636.52</b>
Gearing Ratio*	18.37%	11.92%

\*The Company's Ideal gearing ratio is 18.37% to 11.92%.

**2. Categories of Financial Instruments**

(₹ in Lakhs)

Particulars	Note	As at March 31, 2026		As at March 31, 2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets (Measured at amortised cost)</b>					
(i) Cash and cash equivalent	10	36.20	36.20	37.90	37.90
(ii) Other Bank Balance	11	235.64	235.64	214.96	214.96
(iii) Trade receivables	9	470.11	470.11	563.59	563.59
(iv) Other financial assets	7 & 13	238.58	238.58	312.85	312.85
<b>Total Financial assets</b>		<b>980.53</b>	<b>980.53</b>	<b>1,129.30</b>	<b>1,129.30</b>
<b>Financial Liabilities (Measured at amortised cost)</b>					
(i) Trade Payables	18	374.36	374.36	101.79	101.79
(ii) Cash Credit Facilities	17	1,423.52	1,423.52	843.36	843.36
(iii) Term loan - Non Current	16	15.69	15.69	39.90	39.90
<b>Total Financial Liabilities</b>		<b>1,813.57</b>	<b>1,813.57</b>	<b>985.05</b>	<b>985.05</b>

### 3. FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

#### A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

##### (i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowing and investment are all in fixed rate instruments.

##### (ii) Management of price risk:

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security against Overdrafts given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

#### B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

#### C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Company's Current assets aggregate to ₹ 5892.86 lakhs (2025 – ₹ 5022.11 lakhs;) including Cash and cash equivalents and Other bank balances of ₹ 36.20 lakhs (2025 – ₹ 37.90 lakhs) against an aggregate Current liability of ₹ 2209.64 lakhs (2025 – ₹ 1430.99 Lakhs); Non-current liabilities due between one year to three years amounting to ₹ 15.69 lakhs (2025 – ₹ 39.90 lakhs) and Non-current liability due after three years amounting to ₹ NIL (2025 – NIL;) on the reporting date. Further, while the Company's total equity stand ₹ 8391.82 lakhs (2025 – ₹ 7942.46 lakhs), it has non-current borrowings of ₹ 15.69 lakhs (2025 – 39.90 lakhs). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

#### D. Fair value measurement

##### Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in Lakhs)

Particulars	Fair value hierarchy	As at March 31, 2026		As at March 31, 2025	
		Fair Value		Fair Value	
<b>Financial assets (Measured at amortised cost)</b>					
(i) Cash and cash equivalent	L2	36.20	36.20	37.90	37.90
(ii) Other Bank Balance	L2	235.64	235.64	214.96	214.96
(iii) Trade receivables	L2	470.11	470.11	563.59	563.59
(iv) Other financial assests	L2	238.58	238.58	312.85	312.85
<b>Total Financial Assets</b>		<b>980.53</b>	<b>980.53</b>	<b>1,129.30</b>	<b>1,129.30</b>
<b>Financial Liabilities (Measured at amortised cost)</b>					
(i) Trade Payables	L2	374.36	374.36	101.79	101.79
(ii) Cash Credit Facilities	L2	1,423.52	1,423.52	843.36	843.36
(iii) Term loan - Non Current	L2	15.69	15.69	39.90	39.90
<b>Total Financial Liabilities</b>		<b>1,813.57</b>	<b>1,813.57</b>	<b>985.05</b>	<b>985.05</b>

#### NOTE 37

The Company has not been declared wilful defaulter by any bank and institution.

#### NOTE 38

No charges are pending to be created with Registrar of companies and no satisfaction of charges is pending.

#### NOTE 39 – RATIOS

The following are analytical ratios for the year ended March 31, 2026 and March 31, 2025

Particulars	Numerator	Denominator	31 <sup>st</sup> March 2026	31 <sup>st</sup> March 2025	Variance	Remark
Current Ratio	Current assets	Current liabilities	2.66	3.51	-24.22%	
Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.32	0.22	45.45%	increase in debts
Debt Service Coverage Ratio	EBITDA	Interest plus principal	5.50	5.56	-1.08%	
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	5.42%	6.86%	-20.99%	
Inventory Turnover Ratio	Sale of products	Average Inventory	5.84%	5.68%	2.82%	
Trade receivables turnover ratio	Revenue	Average Trade Receivable	20.96	16.11	30.11%	decrease in debtors
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	26.62	35.84	-25.73%	Increase in Trade Payables
Net capital turnover ratio	Net Sales	Working Capital	2.88	2.72	5.88%	
Net profit ratio	Net Profits after taxes	Net Sales	4.23%	5.38%	-21.38%	
Return on capital employed (ROCE)	EBITDA	Capital Employed	10.58%	12.12%	-12.71%	
Return on Investment (ROI) Unquoted	Income generated from investments	Time weighted average investments	No income generated from investment			

**NOTE 40**

The company has utilized funds for the purpose for which they were borrowed.

**NOTE 41****Utilisation of Borrowed funds and share premium:**

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(is), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) the the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**NOTE 42**

No scheme of arrangement has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act 2013.

**NOTE 47 – RELATED PARTY DISCLOSURE**

Disclosures in respect of related parties pursuant to IND AS 24

**Promoter**

DA Trade tech private limited.

**Key managerial personnel**

- (1) Mr. Daud Ali
- (2) Mr. Narendra Bhanawat
- (3) Mr. Rajat Raja Kothari

During the year following transactions were carried out with the related parties in the ordinary course of business at arm length price

(₹ in Lakhs)

Name of related party	Nature of relation	Transaction	DURING 25-26	DURING 24-25
DA Trade Tech Private Limited	Promoter	Rent received	0.14	-
Mr. Daud Ali	Key managerial personnel	Remuneration	46.85	46.85
Mr. Narendra Bhanawat	Key managerial personnel	Remuneration	8.87	7.58
Mr. Rajat Raja Kothari	Key managerial personnel	Remuneration	8.44	6.49
DA TRADE TECH PRIVATE LIMITED			Dr. 0.14 Lakhs	

No amount in respect of the related parties have been written off/back are provided for during the year. Related party relationship has been identified by the Management and relied upon by the auditors.

**NOTE 43**

The Government of India notified the four Labour Codes ('New Labour Codes') effective November 21, 2025. The Ministry of Labour & Employment has also issued draft Central Rules and FAQs to help assess the financial impact of these changes. The Company has estimated and recognized the impact of implementation of the New Labour Codes under Employee benefits expense for the year ended 31 March 2026. The impact of the same is not material to for the year.

**NOTE 44**

The Company has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**NOTE 45**

There is no transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account during the year .

**NOTE 46**

The Company has no transactions with struck off under section 248 of the Companies Act. 2013 or section 560 of Companies Act.,1956.

**NOTE 48**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Information relating to the Micro, Small and Medium Enterprises	As at March 31, 2026	As at March 31, 2025
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
(i) Principal amount (ii) Interest		
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**NOTE 49**

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on March 31, 2026 are subject to confirmation and reconciliation.

**NOTE 50**

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act.1988 and rules made there under.

**NOTE 51 – CORPORATE SOCIAL RESPONSIBILITY (CSR)**

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) amount required to be spent by the company during the year	11.10	9.01
(ii) amount of expenditure incurred	11.10	9.01
(iii) shortfall at the end of the year	-	-
(iv) total of previous years shortfall	-	-
(v) reasons for shortfall	Not applicable	Not applicable
(vi) nature of CSR activities		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above		
Old Age Home	11.10	-
Education	-	9.01

(vii) Details of related party transactions: NIL

(viii) The Company does not carry any provisions for corporate social responsibility expenses for the current year and the previous year.

## NOTE 52

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

## NOTE 53

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

## NOTE 54

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

## NOTE 55

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

## NOTE 56

The financial statements were authorised for issue by the Board of Directors on 07.05.2026

## NOTE 57

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III, unless otherwise stated.

## NOTE 62

Disclosures pursuant to section 186 (4) of the Companies Act, 2013

- (i) No guarantee given.
- (ii) No security has been provided.
- (iii) Details of the loans provided during the year are as under:

Name of the borrower	Amount given during the year (₹ in lakhs)	Tenure	Rate of interest	Utilised
Park Continental Private Limited	1,052.00 (1,899.50)	Repayable on demand	6% per annum	Business

\*figures in bracket represents previous year's figures.

## NOTE 63

The Parliament of India has approved the Code on Social Securities, 2020 (the code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The ministry of labour and employment has releases draft rules for the code on November 13, 2020. Final rules are yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any.

## NOTE 64

Maintenance of Books of account under Section 128 of the Companies Act, 2013. The Company has defined process to take daily back-up of books of account maintained electronically and complied with the provisions of the Companies (Accounts) Rules, 2014 (as amended).

For **H.R.JAIN & CO.**

Chartered Accountants

Firm Reg. No.000262C

Sd/

**Manoj Jain**

Partner

Membership No. 400459

Place: Udaipur

Date: 07.05.2026

UDIN:26400459NLWCGY2539

For and on behalf of the Board of Directors

Sd/-

**Daud Ali**

Managing Director

DIN : 00185336

Sd/-

**Rajat Raja Kothari**

Company Secretary

M. No.: A51610

Sd/-

**Narendra Bhanawat**

Whole Time Director

Chief Financial officer

DIN : 00146824

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