HARISH TEXTILE ENGINEERS LIMITED

CIN No.: L29119MH2010PLC201521

Date: 07th September, 2026

To,
Department of Corporate Services
BSE Limited
Pheroze Jeejeebhoy Tower,
Dalal Street,
Mumbai-400001

Ref.: Scrip Code: BSE 542682

Dear Sir/Madam,

<u>Sub: 16th Annual Report for the Financial Year ended 31st March, 2026.</u>

This is further to our intimation dated 04th September, 2026 wherein we had informed that the Annual General Meeting (AGM) of the Company is scheduled to be held on Wednesday, 30th September, 2026 at 11:00 a.m. (IST) through Video Conference / Other Audio-Visual Means, in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI).

In terms of the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we are submitting herewith the Annual Report of the Company and the Notice of AGM for the Financial Year 2025-2026, which is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent (RTA)/Depository Participants (DPs).

The 16th Annual Report is also uploaded on the Company's website https://www.harishtextile.com/.

Kindly take the same on record and acknowledge the receipt.

Thanking You,

For Harish Textile Engineers Limited

priya umesh gupta

Digitally signed by priya umesh gupta
Date: 2026.09.07 15:21:24 +05'30'

Priya Gupta
Company Secretary &
Compliance Officer
Mem. No.- A62579

Place: Mumbai

Encl.: Copy as above

16TH ANNUAL REPORT

HARISH TEXTILE ENGINEERS LIMITED

2025-2026

CIN: L29119MH2010PLC201521

CORPORATE INFORMATION

BOARD OF DIRECTORS
(as on date of this report)

Mr. Sandeep Kirtikumar Gandhi
Managing Director

Mr. Sunil Narayan Bhirud
Executive Director

Mrs. Bhavna Ronil Brahmbhatt
Non- Executive, Independent Director

Mr. Ashwini Ramakant Gupta
Non- Executive, Independent Director
(Appointed w.e.f. June 10, 2025)

Mr. Mahesh Ratilal Sapariya
Non- Executive, Independent Director
(Resigned w.e.f. November 14, 2025)

Mr. Ritesh Harshad Patel
Non- Executive, Independent Director
(Resigned w.e.f. June 10, 2025)

COMMITTEES OF THE BOARD
(as on date of this report)

AUDIT COMMITTEE-
Mrs. Bhavna Brahmbhatt- Chairperson
Mr. Sunil Bhirud- Member
Mr. Ashwini Gupta-Member

NOMINATION & REMUNERATION COMMITTEE-
Mrs. Bhavna Brahmbhatt- Chairperson
Mr. Ashwini Gupta-Member

STAKEHOLDER'S RELATIONSHIP COMMITTEE-
Mrs. Bhavna Brahmbhatt- Chairperson
Mr. Sunil Bhirud- Member
Mr. Ashwini Gupta-Member

COMPANY SECRETARY & COMPLIANCE OFFICER-
Priya Gupta

CHIEF FINANCIAL OFFICER (CFO)-
Pinkesh Upadhyay

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CORPORATE INFORMATION-
Name: Harish Textile Engineers Limited
CIN: L29119MH2010PLC201521
Scrip Code: 542682
Scrip Name: HARISH
ISIN: INE01K301012
Listing: BSE Limited

REGISTERED OFFICE-
Harish Textile Engineers Limited
02nd Floor, 19, Parsi Panchayat Road, Andheri East,
Mumbai-400069, Maharashtra, India.
Website: www.harishtextile.com

REGISTRAR & SHARE TRANSFER AGENT-
Bigshare Services Pvt. Ltd.
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai-400093, Maharashtra, India.

BANKER-
Union Bank of India
Bank of India

STATUTORY AUDITOR-
M/s. K.M. Swadia & Co.,
Chartered Accountants
314, Shriram Chambers, R. C. Dutt Road, Alkapuri,
Vadodara-390005

INTERNAL AUDITOR-
M/s. Ravi H. Dasija & Co.,
Chartered Accountants
B 903, Savgan Heights, RTO Lane, Four Bungalows,
Andheri West, Mumbai 400053

COST AUDITORS
M/s. Y S Thakar & Associates
Cost Accountants
305, Ujjwal complex, Near Akota Stadium, Akota,
Vadodara -390020

SECRETARIAL AUDITORS-
M/s D N Vora & Associates
(For Financial Year 2025-2026)
Practising Company Secretaries
202, Patel Bhuvan, Daulat Nagar, Road No. 10, Borivali
(East), Mumbai- 400066, Maharashtra, India.

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE 16TH ANNUAL GENERAL MEETING (AGM) OF THE SHAREHOLDERS OF HARISH TEXTILE ENGINEERS LIMITED ("THE COMPANY" OR "HTEL") WILL BE HELD ON WEDNESDAY, 30TH SEPTEMBER, 2026 AT 11:00 A.M. INDIAN STANDARD TIME ("IST") THROUGH VIDEO CONFERENCING ('VC')/ OTHER AUDIO-VISUAL MEANS ('OAVM') TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:-

1. **ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON FOR THE YEAR ENDED 31ST MARCH, 2026:**

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

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted".

2. **APPOINTMENT OF MR. SUNIL NARAYAN BHIRUD (DIN: 03469816) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION:**

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

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sunil Narayan Bhirud (DIN: 03469816), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to the provisions of Section 152 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Sunil Narayan Bhirud (DIN: 03469816), who retires by rotation as a Director at this Annual General Meeting, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

SPECIAL BUSINESS:-

3. **APPROVAL FOR RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITOR FOR THE FINANCIAL YEAR 2026-2027:**

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

   "**RESOLVED THAT** pursuant to Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) per annum plus applicable taxes and levies and reimbursement of out-of-pocket expenses payable to M/s. Y S Thakar & Associates, Cost Accountants, (Firm Registration No.: 000318), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, at its meeting held on 30th May, 2026 for the financial year 2026-2027, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time for the financial year ending 31st March, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include any duly authorised Committee thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above Resolution."

4. APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION FOR THE FINANCIAL YEAR 2026-2027:

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

"RESOLVED THAT pursuant to Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014, and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and such conditions as may be prescribed by any of the concerned authorities while granting such approvals, and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to the Board, for entering into any contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together with previous transactions during the financial year), with the following Related Parties for an amount not exceeding the limits as detailed below, at arm's length basis and in the ordinary course of business of the Company, wherever applicable, as set out under the Explanatory Statement annexed;

Sr. No.	Name of the Related Party	Nature of Relationship	Maximum Transaction Value (Amount in Lakhs)	Nature of Transaction
1	Harish Enterprise Private Limited	Company with Common Directors	12.00	Rent Expenses
2	Everys Healthcare Private Limited	Company with Common Directors	7.00	Interest Income
3	Sandeep Gandhi	Managing Director	180.00	Remuneration
4	Sunil Bhirud	Executive Director	36.00	Remuneration
5	Shaila Gandhi	Relative of Managing Director	30.00	Professional Fees
6	Shovan Gandhi	Relative of Managing Director	24.00	Remuneration
7	Pacific Harish Industries Limited (Financial liability-Reliance/Authem Loan)	Company with Common Directors	50.00	Repayment of Loan

8	Kasha Textiles Private Limited	Company with Common Promoter	30.00	Rent Expenses
9	Loan to KMP and Employees	KMPs and Employees	100.00	Loan

Pursuant to rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014, where Related Party Transaction cannot be foreseen and transaction details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1,00,00,000/- (One Crore only) per transaction or such other limits prescribed by the Regulatory authorities.

RESOLVED FURTHER THAT the approval of the shareholders of the company be and is hereby accorded in Pursuant to rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014, where Related Party Transaction cannot be foreseen and transaction details are not available, on the basis of approval of audit committee , board is authorized to enter into related transactions in category of other development activities and exigencies subject to value not exceeding Rs. 1,00,00,000/- (One Crore only) per transaction during the financial year 2026-2027.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things as may be necessary, including finalizing the terms and conditions, modes and executing necessary documents, including contracts, schemes, agreements and other documents, filing applications, making representations and seeking approval from relevant authorities, if required, and dealing with any matters necessary as the Board may in its absolute discretion deem necessary, desirable or expedient, to give effect to this Resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members, provided that such actions are within the scope and limits of the approval granted by the Members pursuant to this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with matters referred to or contemplated in the foregoing Resolution, within the authority granted under this Resolution, be and are hereby approved, ratified and confirmed by the Members of the Company in all respects.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine the actual sums to be involved in the particular transactions and the terms and conditions related thereto, provided that the aggregate value of transactions with each Related Party does not exceed the maximum amount approved by the Members, and to finalize and execute all agreements, deeds, documents and writings as required for particular transactions and to do all acts, deeds and things in this connection and incidental thereto as the Board of Directors in its absolute discretion may deem fit."

5. **APPOINTMENT OF SECRETARIAL AUDITOR FOR A PERIOD OF FIVE CONSECUTIVE YEARS I.E., F.Y 2026-2027 TO F.Y 2030-2031 AND APPROVAL OF HIS/ THEIR REMUNERATION:**

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

"RESOLVED THAT pursuant to the provisions of Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") read with Section 204 and other applicable provisions of the Companies Act, 2013, if any read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Act"), thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), CS Khushal Bherulal Bajaj, (Membership No. ACS 49466, Certificate of Practice No. 18087 & Peer Review No. 2453/2022), a Practicing Company Secretary, be and is hereby appointed as Secretarial Auditor of the Company for a period of 5 consecutive years, from April 01, 2026 to March 31, 2031 ('the Term'), on such terms & conditions, including remuneration as may be determined by the Board of Directors (hereinafter referred to as the 'Board' which expression shall include any Committee thereof or person(s) authorized by the Board).

RESOLVED FURTHER THAT approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and are hereby authorized to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

6. **APPROVAL FOR REVISION IN REMUNERATION OF MR. PINKESH UPADHYAY, CHIEF FINANCIAL OFFICER OF THE COMPANY:**

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

"RESOLVED THAT pursuant to the provisions of Section 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable rules made thereunder, and pursuant to the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for the revision and increase in remuneration payable to Mr. Pinkesh Upadhyay, Chief Financial Officer and Key Managerial Personnel of the Company, at a maximum consolidated remuneration of up to Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only) per month, all-inclusive of salary, allowances, perquisites, incentives, bonus and all other remuneration and benefits, plus reimbursement of expenses with effect from 01st October, 2026.

RESOLVED FURTHER THAT the remuneration payable to Mr. Pinkesh Upadhyay shall be subject to the applicable provisions of the Companies Act, 2013, including Section 203, and the SEBI LODR Regulations and other applicable laws, rules, regulations and statutory requirements, as amended from time to time.

RESOLVED FURTHER THAT in the event of any requirement under applicable law for obtaining approval of the Members or any other statutory or regulatory approval in relation to the remuneration payable to Mr. Pinkesh Upadhyay, the same shall be obtained in accordance with applicable law.

RESOLVED FURTHER THAT the Board of Directors of the Company, including the Nomination and Remuneration Committee thereof, be and is hereby authorised to vary, modify, revise or restructure the components of the remuneration payable to Mr. Pinkesh Upadhyay, including salary, allowances, perquisites, incentives and other benefits, from time to time, within the maximum ceiling of Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only) per month approved by the Members, and subject to the applicable provisions of the Companies Act, 2013, SEBI LODR Regulations and other applicable laws.

RESOLVED FURTHER THAT any revision or increase in the remuneration payable to Mr. Pinkesh Upadhyay beyond the aforesaid maximum ceiling of Rs. 2,50,000/- per month shall be subject to the prior approval of the Members of the Company and such other approvals as may be required under applicable laws.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such documents, instruments and writings as may be considered necessary, proper, expedient or desirable to give effect to this Resolution."

7. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS WITH THE PROPOSED SUBSIDIARY COMPANY:

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, the rules made thereunder, Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, and the Company's Policy on Related Party Transactions, and subject to such other approvals, consents, permissions and sanctions as may be required, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof duly authorised by the Board) to incorporate a wholly owned subsidiary in the form of a public limited company (the "Proposed Subsidiary") and, upon its incorporation, to enter into and/or continue to enter into transactions and arrangements with the Proposed Subsidiary, for the financial year 2026-27, for an aggregate value not exceeding Rs. 25 Crore (Rupees Twenty Five Crore Only) during the financial year 2026-27, comprising commercial business transactions in the nature of purchase, sale or supply of goods, capital goods, services or materials, transfer of assets, rendering or availing of services, reimbursement or sharing of expenses, and such other transactions as may be incidental or ancillary thereto, on such terms and conditions as may be mutually agreed between the Company and the Proposed Subsidiary.

RESOLVED FURTHER THAT the aforesaid transactions shall be undertaken in the ordinary course of business and on an arm's length basis and shall be subject to the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and the Company's Policy on Related Party Transactions.

RESOLVED FURTHER THAT the Board and/or the Audit Committee thereof be and is hereby authorised to determine, finalise and modify, from time to time, the terms and conditions of the aforesaid transactions, including the nature, quantity, price, consideration, tenure and other commercial terms, within the overall limits approved by the Members, and to do all such acts, deeds, matters and things and execute all such agreements, documents and writings as may be necessary, desirable or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps, including filing of forms, singing of any papers and/or documents and NOC as may be necessary, proper or expedient for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard."

By Order of the Board of Directors

For **Harish Textile Engineers Limited**

Sandeep Gandhi	**Sunil Bhirud**
Managing Director	**Executive Director**
DIN: 00941665	**DIN: 03469816**

Date: 04th September, 2026
Place: Mumbai

Registered Office
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069
CIN: L29119MH2010PLC201521
Tel.: 022-66490251
Website: https://www.harishtextile.com/
E-mail: investor@harishtextile.com

NOTES:

1. Pursuant to the Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated 08th April, 2020 and 17/2020 dated 13th April, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular No. 20/2020 dated 05th May, 2020, 10/2022 dated 28th December, 2022, 09/2023 dated 25th September, 2023, 09/2024 dated 19th September, 2024 and 03/2025 dated 22nd September, 2025, and subsequent circulars issued in this regard in relation to "Clarification on holding of Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as the "MCA Circulars"), the Company is convening the 16th AGM through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue.

   Further, the Securities and Exchange Board of India ('SEBI'), vide its Circulars dated 12th May, 2020, 15th January, 2021, 13th May, 2022, 05th January, 2023, 07th October, 2023 and 03rd October, 2024 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

   In compliance with the provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and Secretarial Standard-2 on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India and MCA Circulars, the 16th AGM of the Company is being held through VC/OAVM on Wednesday, 30th September, 2026 at 11:00 a.m. IST. The deemed venue for the AGM will be the Registered Office of the Company, i.e. 2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai-400069.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA Circulars and the SEBI Circulars, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this Notice.

3. The Notice convening this AGM along with the Annual Report for FY 2025-2026 is being sent by electronic mode to those Members whose e-mail address is registered with the Company/Depositories, unless a member has specifically requested for a physical copy of the same. Members may kindly note that the Notice convening this AGM and Annual Report for FY 2025-2026 will also be available on the Company's website www.harishtextile.com, website of the Stock Exchange i.e. BSE Limited (BSE) at www.bseindia.com and on the website of National Securities Depository Limited (NSDL) at https://www.evoting.nsdl.com. The Company will also publish an advertisement in the newspapers containing details of the AGM and other relevant information for Members viz. manner of registering e-mail Id., Cut-off date for e-voting, etc.

4. Appointment of Proxy and Attendance Slip:

   Since the 16th AGM is being held through VC/OAVM in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 16th AGM, and therefore, proxy form and attendance slip are not annexed to this Notice.

Since this AGM is held through Video Conference/Other Audio Visual Means (“VC/OAVM”), route map to the venue is not required and therefore, the same is not annexed to this Notice.

5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting pursuant to Section 113 of the Companies Act, 2013 (“the Act”). In the absence of such Board Resolution/Authorization, the representative shall not be entitled to attend and vote on behalf of the concerned Member. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to dnvoraandassociates@yahoo.com with a copy marked to investor@harishtextile.com and evoting@nsdl.com.

6. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning special business(s) as set out above in Item No. 3 to 7 is annexed hereto. The relevant details required to be disclosed in respect to Directors seeking appointment/ re-appointment at this AGM pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, “(LODR Regulations or Listing Regulations)”. Secretarial Standards on General Meeting (“SS-2”) issued by the Institute of Company Secretaries of India and other applicable provisions of the Act, have been provided in **Annexure A** to this Notice. Additional information as required under Listing Regulations and Secretarial Standard on General Meeting (SS-2) in respect of the Directors retiring by rotation at this Meeting is annexed hereto.

7. At the 14th AGM held on 30th September, 2024, the members approved re-appointment of M/s. K M Swadia & Company, Chartered Accountants Firm (Firm Registration No. 110740W) as Statutory Auditors of the Company to hold office from the conclusion of 14th AGM till the conclusion of the 19th AGM. M/s. K M Swadia & Company, will complete their present term as Statutory Auditors of the Company on conclusion of the AGM to be held in 2029.

8. Brief particulars of the Directors proposed to be re-appointed/ appointed, as mandated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and in terms of Para 1.2.5 of Secretarial Standard on General Meetings (SS-2) is annexed as Annexure A hereto and forms part of this Notice.

9. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer books of the Company will remain closed from Thursday, 24th September, 2026 to Wednesday, 30th September, 2026 (both days inclusive).

10. The Members holding the shares in physical form may obtain the nomination form from the Company’s Registrar & Share transfer agent- Bigshare Services Private Limited (BSPL) and are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or BSPL for assistance in this regard. The said forms can be downloaded from the Company’s website https://www.harishtextile.com/.

11. Members desirous of getting any information in respect of the content of the annual report are requested to forward the queries to the Company at least 10 days prior to the annual general meeting so that the required information can be made available at the Company.

12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or BSPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

14. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014, the Members are requested to provide their e-mail id to their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company or Registrar and Share Transfer Agent in case the shares are held by them in physical form in order to facilitate easy and faster dispatch of Notices of the general meetings and other communication by electronic mode from time to time.

15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, BSPL in case the shares are held by them in physical form.

16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at https://www.harishtextile.com/. It may be noted that any service request can be processed only after the folio is KYC Compliant.

17. SEBI vide its notification SEBI/LAD-NRO/GN/2022/66 dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or BSPL, for assistance in this regard.

18. SEBI vide its Circular dated 31st July, 2023 issued guidelines for members to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Members are requested to first take up their grievance, if any, with Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company. If the grievance is not redressed satisfactorily, the member may escalate the same through: i) SCORES Portal in accordance with the SCORES guidelines, and ii) if the member is not satisfied with the outcome, dispute resolution can be initiated through the ODR Portal at https://smartodr.in/login.

19. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed

dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

20. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. 01st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company/BSPL (if shares held in physical form). Shareholders are requested to note that in case their PAN is not registered, or having invalid PAN or Specified Person as defined under section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable.

21. Members who hold shares in dematerialized form are requested to login with their DP ID and Client ID numbers for easy identification of attendance at the meeting.

22. The Equity Shares of the Company are mandated for trading in the compulsory demat mode. The ISIN Number allotted for the Company's shares is INE01K301012.

23. Annual Listing fees for the year 2025-2026 has been paid to all stock exchange wherein shares of the Company are listed.

24. As per the provisions of Section 72 of the Act and SEBI circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://www.harishtextile.com/. Members holding shares in physical form may submit the same to BSPL. Members holding shares in electronic form may submit the same to their respective depository participant.

25. As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred /traded only in dematerialized form. Members holding shares in physical form are advised to avail the facility of dematerialization.

26. SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 03rd November, 2021 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 and SEBI/ HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated 16th March, 2023 ("SEBI Circulars") mandated furnishing of Permanent Account Number ('PAN'), KYC details viz. Contact Details (Postal Address, Mobile Number and E-mail), Bank Details, Nomination etc. by holders of physical securities. The Company had sent letters for furnishing the required details.

27. Any service request shall be entertained by BSPL in accordance with the applicable SEBI requirements relating to PAN, KYC and nomination, as amended from time to time. Members holding physical securities are advised to ensure that their folios are updated with the requisite PAN, contact details, bank details and nomination details, as applicable, to avoid any difficulty in processing service requests or receiving corporate benefits.

28. Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. In case of joint holders, the Member whose name appears first in the Register of Members shall be entitled to vote at the AGM. Members holding Equity Shares as on

Wednesday, 23rd September, 2026 ("Cut-off Date") may join the AGM anytime 15 minutes before the scheduled time by following the procedure outlined in the Notice. A person who is a Member as on the Cut-off Date shall be eligible to attend and vote on resolutions proposed at the AGM. Any person who is not a Member as on the Cut-off Date shall treat this Notice for informational purposes only.

29. The Company has appointed Ms. Dipali Vora, Practicing Company Secretary (FCS No. 14133, COP No. 21254) as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.

30. **Mandatory updation of PAN, KYC, Nomination and Bank details by Members:**

    Members holding shares in demat mode are requested to update their details with their Depository Participants at the earliest.

31. To support the 'Green Initiative', Members who have not yet registered their E-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the RTA/Company in case the shares are held by them in physical form.

32. **Electronic dissemination of the AGM Notice and Annual Report:** Electronic/digital copy of the Annual Report for FY 2025-2026 and Notice convening the 16th AGM are being sent to all Members whose e-mail Id. are registered with the RTA/ Company/Depositories. Members who have not registered their e-mail Id. may get the same registered by with their Depository Participants. For Members who have not registered their e-mail address, a letter containing exact web-link of the website i.e. https://www.harishtextile.com/investors/annual-reports where details pertaining to the entire Annual Report is hosted is being sent at the address registered in the records of RTA/Company/Depositories. The Company shall provide hard copy of the Annual Report for FY 2025-2026 to the Members, upon request.

33. **E-voting:**

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, and Regulation 44 of the SEBI Listing Regulations, the Company has extended the facility of voting through electronic means including 'Remote e-voting' (e-voting other than at the AGM) to transact the business mentioned in the Notice convening the 16th AGM., the Company has engaged services of NSDL, for providing e-Voting services.
- In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the AGM. However, facility for casting vote during the AGM through e-voting would be provided to the Members who have not cast their vote through remote e-voting earlier.
- Necessary arrangements have been made by the Company to facilitate 'Remote e-voting' as well as e-voting at the aforementioned AGM. Members shall have the option to vote either through remote e-voting (during the remote e-voting window) or at the AGM.
- Voting rights of Members shall be reckoned on the paid-up value of Equity Shares registered in their name as on the Cut-off date.

- Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM, as the case may be.
- The procedure for e-voting on the day of the AGM is identical to Remote e-voting instructions as outlined in this Notice.
- Remote e-voting facility will begin from **Friday, 25th September, 2026 (9:00 a.m. IST) to Tuesday, 29th September, 2026 (5:00 p.m. IST)** after which the facility will be disabled by NSDL and remote e-voting shall not be allowed beyond the said date and time. During this period shareholders of the Company, holding shares in dematerialized form, as on the cut-off date **Wednesday, 23rd September, 2026** may cast their votes electronically. Those members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- Any person who becomes a Member of the Company after dispatch of the Notice and holds Equity Shares as on the Cut-off date can vote by following the procedure for e-voting, as outlined in the Notice. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000. In case of Shareholders holding securities in demat mode who acquire shares and become Member after the notice is sent through e-mail and holding shares as of the Cut-off date may follow steps mentioned in the Notice. The procedure for e-voting on the day of the AGM is identical to Remote e-voting instructions as outlined in this Notice.
- Members present at the 16th AGM and who have not cast their vote on resolutions set out in the Notice convening the AGM through remote e-voting and who are not otherwise barred from doing so, shall be allowed to cast their vote through e-voting facility during the AGM.
- However, Members who have exercised their right to vote during the Remote e-voting period may attend the AGM but shall not be entitled to cast their vote again.
- Once the vote on a resolution is cast, Member shall not be allowed to change the same subsequently or cast vote again.
- Members can opt for only one mode of voting i.e. either through Remote e-voting or e-voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail.

34. **Inspection of documents:** The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and all other documents will be available electronically for inspection by the Members during the remote e-voting period and during the proceedings of the 16th AGM. Members may seek inspection of documents by accessing to the NSDL e-voting platform at https://www.evoting.nsdl.com during the aforementioned period.

35. **Speaker registration/facility for non-speakers: Process Registration as speaker at the AGM**

    Members who would like to express their views/ ask questions as a speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio No., and Mobile No. at investor@harishtextile.com from **Thursday, 24th September, 2026 (9:00 AM. IST) to Monday, 28th September, 2026 (5:00 PM. IST)**. Only those Members who have preregistered themselves as a speaker on the dedicated e-mail id i.e. investor@harishtextile.com will be allowed to express their views/ask questions during the AGM.

The Company reserves the right to restrict the number of questions and/or number of speakers during the AGM, depending upon availability of time and for smooth conduct of the meeting. However, the Company will endeavour to respond to the questions which have remained unanswered during the meeting to the respective shareholders.

Facility for non-speakers

Members who wish to obtain any information on the Annual Report for FY 2024-2025 or have questions on the financial statements and/or matters to be placed at the 16th AGM, may send a communication from their registered e-mail address mentioning their names, DP ID and Client ID/Folio No., and Mobile No. at investor@harishtextile.com from **Thursday, 24th September, 2026 (9:00 AM. IST) to Monday, 28th September, 2026 (5:00 PM. IST).**

36. **Declaration of results of voting:**

After conclusion of the meeting, the Scrutinizer will submit the report on votes cast in favour or against and invalid votes, if any, to the Chairman or any other person authorized by him, who shall countersign the same, and the result of the voting will be declared within the time stipulated under the applicable laws.

The voting results along with the Scrutinizer's report, will be hosted on the Company's website, https://www.harishtextile.com/, website of NSDL, https:// www.evoting. nsdl.com/, displayed on the Notice Board of the Company at the Registered Office and will be simultaneously forwarded to the Stock Exchange i.e. BSE Limited.

The Members are requested to submit their nomination Form No. SH-13 to their DP in case the shares are held by them in electronic form. For any help, please contact RT&A or Company on given email addresses.

1) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s).

2) Members may also note that the Notice of the 16th AGM and the Annual Report for FY 2025-2026 are available on the Company's website at https://www.harishtextile.com/.

INSTRUCTIONS FOR REMOTE E-VOTING AND ACCESS TO THE 16TH AGM

Members are requested to follow the instructions given below to cast their vote through e-voting and to access the Video Conference facility at the AGM:

A. The remote e-voting period begins on **Friday, 25th September, 2026 (9:00 a.m. IST) to Tuesday, 29th September, 2026 (5:00 p.m. IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Wednesday, 23rd September, 2026**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up Equity Share capital of the Company as on the cut-off date, being **Wednesday, 23rd September, 2026**.

During this period, shareholders holding shares in dematerialized form as on the 'Cut-off date' i.e. **Wednesday, 23rd September, 2026** may cast their vote electronically by logging to NSDL website at https:// www.evoting.nsdl.com//

The e-voting module shall be disabled by NSDL for voting thereafter.

B. Detailed steps on the process and manner for remote e-voting/e-voting at the AGM and to access the VC facility at the AGM, is given below:

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

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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated 09th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After

successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details

Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

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

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

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

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

c) How to retrieve your 'initial password'?
   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
   (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Members will be able to see the VC/OAVM link placed under Join Meeting menu against the Company’s name. Members are requested to click on the VC/OAVM link placed under Join Meeting menu.
2. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dnvoraandassociates@yahoo.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@harishtextile.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@harishtextile.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 09th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

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

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

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

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

By Order of the Board of Directors

For **Harish Textile Engineers Limited**

Sandeep Gandhi	**Sunil Bhirud**
Managing Director	**Executive Director**
DIN: 00941665	**DIN: 03469816**

Date: 04th September, 2026
Place: Mumbai

Registered Office
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069
CIN: L29119MH2010PLC201521
Tel.: 022-66490251
Website: https://www.harishtextile.com/
E-mail: investor@harishtextile.com

ANNEXURE – A – EXPLANATORY STATEMENTS

AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT"), THE FOLLOWING EXPLANATORY STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO BUSINESS MENTIONED UNDER ITEM NOS. 3 TO 7 OF THE ACCOMPANYING NOTICE.

Explanatory Statement in terms of Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

ITEM NO. 3

On recommendation of the Audit Committee, the Board has approved the appointment and remuneration of M/s. Y S Thakar & Associates, Cost Accountants (Registration No. 000318), as Cost Auditor of the Company at a remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) per annum plus applicable charges, taxes/levies and out-of-pocket expenses incurred by them in connection with the audit of the cost records of the Company for the financial year ending 31st March, 2027.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members of the Company.

Accordingly, the Members are requested to ratify the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) per annum plus applicable charges, taxes/levies and out-of-pocket expenses payable to M/s. Y S Thakar & Associates, Cost Accountants, for the financial year ending 31st March, 2027 by passing an Ordinary Resolution.

By considering the above facts, the Board recommends the Ordinary Resolution set out in Item No. 3 of the Notice for the approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives is concerned or interested, financially or otherwise, in the Ordinary Resolution set out as Item No. 3 of the Notice.

ITEM NO. 4

Pursuant to Section 188 of the Companies Act, 2013 ('the Act') read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules') and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'), as amended from time to time, including the amendments effective from April 1, 2022, inter alia, the scope of related parties and related party transactions (RPTs) and the materiality threshold for seeking shareholders' approval were enhanced, i.e. if transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 Crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. Material Related Party Transactions require approval of the Members by passing an Ordinary Resolution and, in respect of voting on such resolution(s), no Related Party shall vote to approve such resolution, whether or not the entity or person is a party to the particular transaction or not, pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As the value of transaction(s) may exceed the materiality threshold limit, as provided under the SEBI (LODR) Regulations, 2015, your approval is being sought for the Related Party Transactions as set out in the resolution for the financial year 2026-2027.

Pursuant to Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014, where a Related Party Transaction cannot be foreseen and transaction details are not available, the Audit Committee may grant omnibus approval for such transactions subject to the applicable conditions, including that their value shall not exceed Rs. 1,00,00,000/- (One Crore only) per transaction or such other limits prescribed by the Regulatory authorities. Accordingly, any unforeseen Related Party Transactions which may arise during the financial year 2026-2027 may be considered by the Audit Committee for omnibus approval within the specified limit and subject to the applicable provisions of law.

The Audit Committee has given a recommendation for ratification and approval for the above stated related party transactions entered or to be entered during the financial year 2026-2027.

Pursuant to applicable provisions of the Companies Act, 2013, approval of the members is required for approval of Material Related Party Transaction for the financial year 2026-2027 by means of an Ordinary Resolution.

By considering the above facts, the Board recommends the Ordinary Resolution set out in Item No. 4 of the Notice for the approval of the Shareholders.

Apart from the above, none of the other Directors and Key Managerial Personnel or their Relatives are interested, financially or otherwise, in the Ordinary Resolution set out as Item No. 4 of the Notice.

ITEM NO. 5

Pursuant to Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) read with Section 204 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”), the appointment of CS Khushal Bherulal Bajaj, (Membership No. ACS 49466, Certificate of Practice No. 18087, Peer Review No. 2453/2022), a Practising Company Secretary, as the Secretarial Auditor of the Company has been recommended by the Audit Committee and the Board of Directors to the Members for the term of 5 (Five) consecutive years from the financial year 2026-2027 till 2030-2031 for their approval.

Mr. Khushal Bherulal Bajaj has given his consent to act as the Secretarial Auditor of the Company and has confirmed that his appointment, if approved, would be within the prescribed limits and that he is eligible and not disqualified to be appointed as Secretarial Auditor in terms of the applicable provisions of the Act, Rules made thereunder and the SEBI LODR.

Mr. Khushal Bherulal Bajaj is a Peer Reviewed Practising Company Secretary and holds Peer Review No. 2453/2022. He possesses experience and expertise in the areas of corporate laws, securities laws, secretarial audit and other applicable corporate and regulatory compliances.

In terms of Regulation 36(5) of the SEBI LODR Regulations, the Members are requested to note that:

a) Mr. Khushal Bherulal Bajaj is a Practising Company Secretary and has the requisite experience and proficiency in matters relating to the Companies Act, SEBI regulations and other applicable corporate laws and compliances.

b) Mr. Khushal Bherulal Bajaj is a Peer Reviewed Company Secretary in Practice and holds Peer Review No. 2453/2022. He has confirmed his eligibility to be appointed as the Secretarial Auditor of the Company for the proposed term of 5 (Five) consecutive years.

c) Mr. Khushal Bherulal Bajaj has given his consent to act as the Secretarial Auditor of the Company and has confirmed that he is eligible and not disqualified for such appointment under the applicable provisions of the Act, Rules made thereunder and the SEBI LODR.

d) The proposed appointment of Mr. Khushal Bherulal Bajaj as the Secretarial Auditor of the Company is for a period of 5 (Five) consecutive years commencing from April 01, 2026 to March 31, 2031, subject to approval of the Members.

e) The terms and conditions of appointment, including remuneration, shall be determined by the Board of Directors of the Company in accordance with the applicable provisions of law.

f) The Secretarial Audit services to be rendered by Mr. Khushal Bherulal Bajaj shall be in accordance with the applicable provisions of the Companies Act, 2013, SEBI LODR and other applicable laws, rules and regulations.

The Board of Directors, based on the recommendation of the Audit Committee, has recommended the appointment of Mr. Khushal Bherulal Bajaj as the Secretarial Auditor of the Company for a term of 5 (Five) consecutive years from April 01, 2026 to March 31, 2031.

The Board of Directors has also recommended that the Members accord their approval to the Board to avail or obtain from the Secretarial Auditor such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws, at such remuneration as may be determined by the Board.

By considering the above facts, the Board recommends the Ordinary Resolution set out in Item No. 5 of the Notice for the approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective Relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution set out as Item No. 5 of the Notice.

ITEM NO. 6

The Members are informed that Mr. Pinkesh Upadhyay is serving as the Chief Financial Officer and Key Managerial Personnel of the Company and is responsible for overseeing the financial management and reporting functions of the Company, including financial planning, accounting, financial reporting, financial controls, regulatory compliances and other matters relating to the financial affairs of the Company.

Mr. Pinkesh Upadhyay has been discharging his responsibilities diligently and has made valuable contributions towards the financial management, regulatory compliance and overall functioning of the Company.

Considering his experience, performance, increased responsibilities, contribution and the requirements of the Company, the Nomination and Remuneration Committee has considered and recommended revision and increase in the remuneration payable to Mr. Pinkesh Upadhyay.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 04th September, 2026 approved the proposed revision and increase in remuneration payable to Mr. Pinkesh Upadhyay, subject to the approval of the Members of the Company and such other approvals as may be required under applicable laws.

The proposed revision in remuneration shall be at a maximum consolidated remuneration of up to Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only) per month, all-inclusive of salary, allowances, perquisites, incentives, bonus and all other remuneration and benefits, with effect from 01st October 2026.

The actual remuneration payable to Mr. Pinkesh Upadhyay may be revised, varied, modified or restructured from time to time by the Board of Directors and/or the Nomination and Remuneration Committee, as may be authorised, within the aforesaid maximum ceiling of Rs. 2,50,000/- per month, subject to the applicable provisions of law.

The proposed revision in remuneration is intended to appropriately align the remuneration of Mr. Pinkesh Upadhyay with his responsibilities, experience, performance, contribution and the requirements of the Company.

The remuneration payable to Mr. Pinkesh Upadhyay shall remain subject to the applicable provisions of the Companies Act, 2013, including Section 203 and other applicable provisions thereof, the SEBI LODR Regulations and other applicable laws, rules and regulations, as amended from time to time.

Any revision or increase in the remuneration payable to Mr. Pinkesh Upadhyay beyond the aforesaid maximum ceiling of Rs. 2,50,000/- per month shall be subject to the prior approval of the Members of the Company and such other approvals as may be required under applicable laws.

In the event of any requirement under applicable law for obtaining approval of the Members or any other statutory or regulatory approval in relation to the remuneration payable to Mr. Pinkesh Upadhyay, the same shall be obtained in accordance with applicable law.

The Board considers the proposed revision in remuneration to be in the best interests of the Company and its Members.

By considering the above facts, the Board recommends the Special Resolution set out in Item No. 6 of the Notice for the approval of the Members.

Except Mr. Pinkesh Upadhyay and his relatives, to the extent of their respective interest in the proposed Resolution, none of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Special Resolution set out as Item No. 6 of the Notice.

ITEM NO. 7

The Board of Directors of the Company has approved a proposal to incorporate a new wholly owned subsidiary in the form of a public limited company, for carrying on the business of manufacturing, processing, developing, trading and dealing in technical textiles and man-made fibres and products thereof, including filtration solutions and related products for various industrial applications.

The Proposed Subsidiary is expected to be incorporated during the financial year 2026-27. Upon its incorporation as a wholly owned subsidiary of the Company, transactions between the Company and the Proposed Subsidiary will be subject to the applicable provisions relating to related party transactions under the Companies Act, 2013 and the SEBI LODR Regulations.

In order to facilitate operational and business synergies between the Company and the Proposed Subsidiary, it is proposed that the Company may, from time to time, enter into commercial transactions and arrangements with the Proposed Subsidiary, including purchase, sale or supply of goods, capital goods, services or materials, transfer of assets, rendering or availing of services, reimbursement or sharing of expenses, and such other transactions as may be incidental or ancillary thereto.
The transactions proposed to be undertaken with the Proposed Subsidiary are expected to be in the ordinary course of business and on an arm's length basis. The transactions will be entered into based on commercial terms and conditions prevailing in the ordinary course of business and in accordance with the Company's Policy on Related Party Transactions.

The aggregate value of the transactions proposed to be undertaken with the Proposed Subsidiary shall not exceed Rs. 25 Crore (Rupees Twenty Five Crore only) during the financial year 2026-27.

Since the aggregate value of the proposed transactions is expected to exceed the applicable materiality threshold prescribed under Regulation 23 of the SEBI LODR Regulations, approval of the Members is being sought in advance to enable the Company to undertake such transactions during the relevant financial year.

The approval sought from the Members is for the transactions and the maximum aggregate value specified in the Resolution. Any transaction which is not covered within the approved nature, terms or monetary limits shall be undertaken only after obtaining such further approvals as may be required under applicable law.

Details as required under the applicable provisions of the SEBI LODR Regulations and the Companies Act, 2013

1. **Name of the related party:**

   Proposed to be incorporated as a Wholly Owned Subsidiary of the Company.

2. **Nature of relationship:**

   Wholly Owned Subsidiary upon Incorporation.

3. **Nature of transactions:**

   Purchase, sale or supply of goods, capital goods, services or materials, transfer of assets, rendering or availing of services, reimbursement or sharing of expenses, and such other transactions as may be incidental or ancillary thereto.

4. **Nature, material terms and particulars of the proposed transactions:**

   The transactions will be undertaken on mutually agreed commercial terms, subject to applicable law and the Company's Policy on Related Party Transactions.

5. **Tenure of the transactions:**

The transactions are proposed to be undertaken during FY 2026-27 and may be entered into from time to time, as required in the ordinary course of business.

6. Maximum aggregate value of transactions:

Rs. 25 Crore (Rupees Twenty Five Crore Only) during FY 2026-27.

7. Basis of pricing:

The transactions will be undertaken on an arm's length basis, based on prevailing market/commercial terms and appropriate benchmarking, wherever applicable.

8. Whether the transactions are in the ordinary course of business:

Yes.

9. Whether the transactions are at arm's length:

Yes.

10. Details of the proposed subsidiary's contribution to the overall turnover or business of the Company:

As the Proposed Subsidiary is yet to be incorporated, historical financial information is not available. The transactions are proposed to facilitate the intended business operations and commercial synergies of the Company and the Proposed Subsidiary.

11. Amount of transaction already undertaken, if any:

Nil, as the Proposed Subsidiary is yet to be incorporated.

12. Details of any advance paid or received:

Not applicable as on the date of this Notice.

13. Justification for entering into the proposed transactions:

The proposed transactions are intended to diversify and expand the business of the Company into specific areas of technical textiles and man-made fibres, including filtration solutions and related products for various industrial applications, and to facilitate the proposed subsidiary's business operations. The proposed transactions are expected to enable the Company and the Proposed Subsidiary to leverage their respective technical, manufacturing, operational and commercial capabilities and to achieve greater operational and business synergies.

14. Any other relevant information:

The proposed transactions will be subject to the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and the Company's Policy on Related Party Transactions. The transactions shall be undertaken within the overall monetary limit approved by the Members and on such terms and conditions as may be determined by the Board and/or the Audit Committee, as applicable, in accordance with applicable law.

Further, in accordance with Regulation 23(4) of the SEBI LODR Regulations, no related party shall vote to approve the proposed Resolution.

By considering the above facts, the Board recommends the Ordinary Resolution set out in Item No. 7 of the Notice for the approval of the Members.

Except Mr. Sandeep Kirtikumar Gandhi, Promoter & Managing Director of the Company, and his respective relatives, none of the Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the Ordinary Resolution set out as Item No. 7 of the Notice.

By Order of the Board of Directors

For **Harish Textile Engineers Limited**

Sandeep Gandhi	**Sunil Bhirud**
Managing Director	**Executive Director**
DIN: 00941665	**DIN: 03469816**

Date: 04th September, 2026
Place: Mumbai

Registered Office
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069
CIN: L29119MH2010PLC201521
Tel.: 022-66490251
Website: https://www.harishtextile.com/
E-mail: investor@harishtextile.com

<u>**Annexure A**</u>

Details of Directors appointment/re-appointment/retiring by rotation, as required to be provided pursuant to the provisions of (i) Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Particulars	Mr. Sunil Narayan Bhirud
Director Identification Number (DIN)	03469816
Date of Birth	31/08/1963
Date of First Appointment on the Board	27/03/2025
Background, Profile, Experience and Expertise in specific functional areas	Age: 63 years Qualification: Degree in Mechanical Engineering, Bombay Technical Education Board Mr. Sunil Bhirud is a seasoned professional with over 40 years of extensive experience in Operational Management, Manufacturing Engineering, and related fields. He holds a degree in Mechanical Engineering from the Bombay Technical Education Board and has a proven track record across various domains, including Negotiation, Contract Manufacturing, ISO implementation, Product Development, Quality Systems, Financial Analysis, and Continuous Improvement. His expertise spans across the Machine Building Industry, where he has consistently driven operational excellence and innovation throughout his career.
Qualification	Mechanical Engineer Bombay Technical Education Board
Directorship in other Companies (Public Limited Companies)	0
Membership of Committees of other public limited companies (Audit Committee and Shareholder's/Investor's Grievance Committee only)	0
No. of Shares held in the Company	40,820 Equity Shares
The number of Meetings of the Board attended during the F.Y. 2025-2026	23
Remuneration Proposed	Rs. 2,25,500 per month
Remuneration Paid	Rs. 2,25,500 per month
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the Company	There are no inter-se relationships between the Directors mentioned above, and Manager and other Key Managerial Personnel of the Company.

By Order of the Board of Directors

For **Harish Textile Engineers Limited**

Sandeep Gandhi	**Sunil Bhirud**
Managing Director	**Executive Director**
DIN: 00941665	**DIN: 03469816**

Date: 04th September, 2026
Place: Mumbai

Registered Office
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069
CIN: L29119MH2010PLC201521
Tel.: 022-66490251
Website: https://www.harishtextile.com/
E-mail: investor@harishtextile.com

BOARD'S REPORT

To
The Members,
Harish Textile Engineers Limited

Your Directors are pleased to present the **Sixteenth Annual Report** on the business and operations of **Harish Textile Engineers Limited** ("the Company") together with the audited financial statements and the Auditors' Report thereon for the financial year ended 31st March, 2026, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

1. FINANCIAL HIGHLIGHTS:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 ("the Act") and The Companies (Accounts) Rules, 2014. The financial statements for the financial year ended 31st March, 2026 as well as comparative figures for the year ended 31st March, 2025 are Ind AS compliant.

The financial highlights of your Company for the year ended 31st March, 2026 are summarized as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31st March, 2026**	**Year ended 31st March, 2025**
Gross Income	13,883.59	13,259.96
Profit Before Interest and Depreciation	1,304.13	579.29
Depreciation	174.66	167.94
Net Profit Before Tax	738.02	15.57
Provision for Tax (Net of reversal)	184.22	-7.98
Net Profit After Tax	553.80	23.55
Balance of Retained Earning brought forward	555.30	536.49
Balance of Retained Earning carried forward	1110.28	555.30

2. DIVIDEND:

In order to strengthen the financial position of the Company and support future growth initiatives, the Directors have decided to plough back the profits into the business. Accordingly, no dividend is recommended for the financial year under review.

3. MANAGEMENT DISCUSSIONS AND ANALYSIS:

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis Report for the year under review is presented as a separate section as ***Annexure I***, which forms an integral part of this Annual Report.

4. TRANSFER TO RESERVES:

The Company has not proposed to transfer any amount to the General Reserve. The entire balance of retained earnings is proposed to be carried forward.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 124(5) of the Companies Act, 2013 relating to transfer of unpaid dividend to the Investor Education and Protection Fund do not apply to the Company, as no dividend was declared or paid during the previous financial year and, accordingly, there was no unpaid dividend requiring transfer to the Investor Education and Protection Fund.

6. CHANGE IN THE NATURE OF BUSINESS:

During the period under review, there was no change in the nature of business or the overall state of affairs of the Company.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There have been no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

The following significant matter, which occurred during the financial year under review, is separately disclosed for the information of the Members:

The Company have made payment of Interest till 31st March, 2026 on the Non-Convertible Debentures (Series III and IV both) amounting to Rs. 9.28 lakhs in the month of April, 2026

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

With reference to our earlier disclosure regarding Petition No. 128 of 2022 filed by the petitioner Mr. Nikhil H. Gandhi & two Ors. (Mrs. Chhaya Nikhil Gandhi and Mrs. Kumudben Himatlal Gandhi) against Pacific Harish Industries Ltd. & eight Ors. (Mr. Sandeep K. Gandhi, Mr. Hitendra C. Desai, Mr. Manish K. Vagadia, Mrs. Shaila S. Gandhi, Harish Textile Engineers Limited, Kasha Textile Private Limited, Mr. Kirtikumar S. Gandhi and M/s. K. M. Swadia & Co.), Harish Textile Engineers Limited is respondent no. six, and Mr. Sandeep Gandhi is respondent no. two. The Hon'ble NCLT (National Company Law Tribunal), Mumbai had passed the order dated 14th June, 2023 has stayed the further proceedings till the pendency of the Hon. High Court order.

9. DETAILS OF HOLDING / SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

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

10. POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION & OTHER RELATED MATTERS:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee has formulated a comprehensive Nomination, Remuneration and Succession Policy. The primary objective of this policy is to establish a framework for:

a) Identifying individuals who are qualified to become Directors, Key Managerial Personnel (KMP), and Senior Management;
b) Determining the qualifications, positive attributes, and independence criteria for Directors;
c) Formulating the remuneration structure for Directors, KMP, Senior Management, and other employees;
d) Evaluating the performance of the Board, its committees, and individual Directors, and recommending the remuneration, in any form, payable to Directors, KMP and Senior Management, as applicable.

The Company’s remuneration policy is aligned to market and designed to attract and retain high-calibre talent. It aligns with industry best practices emphasizes performance-based rewards and reviewed periodically based on measurable achievements.

The Policy is available on the Company’s website.

Further, the details regarding remuneration and the criteria for payment to Executive and Non-Executive Directors are disclosed in the Corporate Governance Report, which forms an integral part of this Annual Report.

11. DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS:

The Company has obtained necessary declarations from its Independent Directors affirming that they satisfy the criteria of independence as outlined under Section 149(6) of the Act, as well as Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations.

Additionally, the Independent Directors have confirmed their compliance with Schedule IV of the Act and the Company’s Code of Conduct.

The Board is of the view that there have been no changes in circumstances that would affect the independence status of any Independent Director. The Board is also satisfied with the integrity, expertise, and experience of all Independent Directors, including their proficiency as required under Section 150(1) of the Act and the applicable rules.

Furthermore, in accordance with Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have registered themselves with the Independent Directors’ Databank maintained by the Indian Institute of Corporate Affairs.

12. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as at 31st March, 2026, in Form No. MGT-7, is available on the website of the Company and can be accessed at: https://www.harishtextile.com/investors/annual-return.

Accordingly, Form MGT-9 is not required to be annexed to this Annual Report.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on the date of Report, the Company has four Directors comprising of two Executive Directors and two Non-Executive Directors out of which all two are Independent Directors. There is one Women Director.

Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Articles of Association of the Company, Mr. Sunil Bhirud (DIN: 03469816), Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Independent Directors:

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.

The Board, after undertaking assessment and on examination of the relationships disclosed, considered the following Non-Executive Directors as Independent Directors:

Sr. No.	Name of Directors	Designation
1	Mrs. Bhavna Ronil Brahmbhatt	Non-Executive, Independent Director
2	*Mr. Ritesh Harshad Patel	Non-Executive, Independent Director
2	**Mr. Mahesh Ratilal Sapariya	Non-Executive, Independent Director
3	***Mr. Ashwini Ramakant Gupta	Non-Executive, Independent Director

*Mr. Ritesh Patel, Independent Director, has been resigned from the post of Directorship w.e.f. 10th June, 2025.

**Mr. Mahesh Ratilal Sapariya Independent Director, has been resigned from the post of Directorship w.e.f. 14th November, 2025.

***Mr. Ashwini Ramakant Gupta (DIN: 08930567) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025.

Change in Directors and Key Managerial Personnel:

During the year under review there are following changes in the Board of Directors of the Company.

a) Mrs. Bhavna Ronil Brahmbhatt (DIN: 10736860) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 04th September, 2024.

b) Mr. Sunil Narayan Bhirud (DIN: 03469816) was appointed as an Executive Director of the Company w.e.f. 27th March, 2025.

c) Mr. Mahesh Ratilal Sapariya Independent Director, has been resigned from the post of Directorship w.e.f. 14th November, 2025.

d) Mr. Ritesh Harshad Patel (DIN: 00700189) has resigned from the post of Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025

e) Mr. Ashwini Ramakant Gupta (DIN: 08930567) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025.

Composition of Board of Directors till date of the report

During the year under review, there is change in the composition of the Board as stated below:

Sr. No.	Name of Directors	Designation
1	Mr. Sandeep Gandhi	Managing Director
2	Mr. Sunil Bhirud	Executive Director
3	Mr. Pinkesh Upadhyay	Chief Financial Officer
4	Ms. Priya Gupta	Company Secretary & Compliance Officer
5	Mrs. Bhavna Brahmbhatt	Non-Executive, Independent Director
6	Mr. Ashwini Gupta	Non-Executive, Independent Director

Key Managerial Personnel:

Pursuant to the provisions of Sections 2(51) and 203 of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014, the following are the Key Managerial Personnel of the Company as on the date of report:

Sr. No.	Name of Key Managerial Personnel	Designation
1	Mr. Sandeep Gandhi	Managing Director
2	Mr. Sunil Bhirud	Executive Director
3	Mr. Pinkesh Upadhyay	Chief Financial Officer
4	Ms. Priya Gupta	Company Secretary & Compliance Officer

14. AUDITORS:

Statutory Auditor:

M/s. K. M. Swadia & Co., Chartered Accountants (FRN: 110740W) were re-appointed as Statutory Auditors of the Company for a second term of five years, to hold office from the conclusion of the 14th Annual General Meeting until the conclusion of the 19th Annual General

Meeting of the Company to be held in the year 2029, subject to the provisions of the Companies Act, 2013 and the rules made thereunder.

The requirement for annual ratification of the appointment of Statutory Auditors by the members has been omitted pursuant to the Companies (Amendment) Act, 2017. Accordingly, no such ratification is required at the ensuing Annual General Meeting.

Cost Auditor:

During the year under review, in accordance with Section 148(1) of the Act, the Company has maintained the prescribed accounts and cost records, as specified by the Central Government. The Board of Directors had appointed M/s. Y S Thakar & Associates, (Membership No. 9688 & Firm Registration No. 000318), as Cost Auditors of the Company, for conducting the audit of cost records for the financial year ended 31st March, 2026. The audit is in progress and the Cost Audit Report shall be submitted within the period prescribed under the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Y S Thakar & Associates, (Membership No. 9688 & Firm Registration No. 000318), Cost Accountants in Practice, Vadodara, as the Cost Auditor of the Company for the financial year 2026-27.

The remuneration payable to the Cost Auditor is subject to approval/ratification by the shareholders at the ensuing Annual General Meeting, as applicable.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. D N Vora & Associates (ACS No.: 46989, CP No. 21254), Company Secretary in Practice, Mumbai to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2026.

The Secretarial Audit report for the financial year ended 31st March, 2026 is attached as **Annexure II** to this Report.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed M/s. D N Vora & Associates (ACS No.: 46989, CP No. 21254), Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the five financial year from 2025-2026 to 2029-2030.

Internal Auditors:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, has re-appointed M/s. Ravi H. Dasija & Co., Chartered Accountants (ICAI FRN No. 138346W), as the Internal Auditors of the Company for a period of three financial years commencing from FY 2025-26 to FY 2027-28, to conduct the internal audit of the Company.

The Internal Audit function is carried out in accordance with the scope and terms approved by the Audit Committee and the Board of Directors.

15. STATUTORY AUDITORS' REPORT:

The Auditors' Report contains the following Qualification, observation on Going Concern and other matters:

1. *"The Company has failed to meet its redemption payment obligation on its 7% Unlisted, Secured, Unrated, Redeemable, Non-Convertible Debentures ("NCDs") - Old Series-III and New Series-IV, which were due for redemption on October 07, 2025 and December 20, 2025 respectively. The principal amount due was INR 64.72 Lakhs in respect of Old Series-III and INR 146.79 Lakhs in respect of New Series-IV and the interest due from April 01, 2025 to March 31, 2026 was INR 12.58 Lakhs. Subsequently, the Company has paid interest amounting to INR 9.28 Lakhs in the month of April 2026.*

   The Company has received a Notice of "Event of Default" dated November 11, 2025 from Debenture Trustee, Axis Trustee Services Limited. The Debenture Trustee has notified the Company of its intent to initiate enforcement proceedings. Further, the Debenture Trustee has called upon the Company to repay aggregate dues amounting to INR 211.51 Lakhs plus interest till December 31, 2025, payable to the Old Series III and New Series IV Debenture Holders.
   The financial results have not been adjusted to reflect the full impact of this breach, and in the absence of a complete assessment by the Management, we are unable to quantify the consequential impact on the financial position of the Company."

   <u>Management Response:</u>

   The Company has been in continuous discussions with the Debenture Holders and the Debenture Trustee for resolution of the outstanding obligations and has also made part payment of interest subsequent to the reporting date. Management is evaluating the implications arising from the said default and the related communications received from the Debenture Trustee. Pending completion of such assessment and ongoing discussions with stakeholders, the consequential financial impact, if any, cannot presently be determined with certainty.

2. *"We have not been able to validate the computation of interest liability provided of Rs 64.48 lakhs in the financial statement for the MSME vendors under the MSMED Act, in the absence of adequate audit evidence to establish the amounts payable to the vendors on account of interest on their outstanding dues. As a result, we are unable to quantify the consequential impact on the financial position of the Company."*

   <u>Management Response:</u>

   The Company is in the process of obtaining the latest MSME registration status and confirmations from its suppliers and is reviewing the interest liability in consultation with its advisors.

3. *The Company has not quantified the impact of non-reversal of input tax credit pertaining to suppliers unpaid beyond 180 days as required under Section 16(2) of the CGST Act, 2017*

read with Rule 37 of the CGST Rules. In the absence of such quantification, we are unable to determine the extent of overstatement of input tax credit and understatement of statutory liabilities and related interest, if any."

Management Response:

The Company is of the view that the concerned suppliers have duly discharged their GST liability and as a result of this there is no loss of revenue to the tax authorities. In view of this, the Company believes that there is no basis for reversal of the GST credit and thus no interest is also applicable.

16. SECRETARIAL AUDIT REPORT:

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed, M/s D N Vora & Associates, Practicing Company Secretary as its Secretarial Auditor to conduct the Secretarial Audit of the Company for the F.Y 2025-2026. The Company has provided all the assistance and facilities to the Secretarial Auditor for conducting their audit. Report of Secretarial Auditors for the F.Y 2025-2026 in Form MR-3 is annexed to this report as **Annexure-II**.

The Secretarial Audit Report contains the following Qualification, Observation, Reservation, and Adverse Remark/Disclaimer as follows:

a) *The Company has delayed in filing Audited Financial Results for the Quarter & Year ended on 31st March, 2025.*

Management Response:

The delay in filing the Audited Financial Results for the quarter and financial year ended 31st March, 2025 was primarily due to the additional time required for completion of the audit and finalisation of the financial statements. The Company subsequently completed the necessary processes and filed the financial results with the Stock Exchange. The management has taken note of the observation and has strengthened its internal compliance monitoring mechanism to ensure timely submission of financial results within the prescribed timelines going forward.

b) *The Company has delayed in filing Disclosure of Related Party Transactions for the Quarter & Year ended on 31st March, 2025.*

Management Response:

The delay in filing the disclosure of Related Party Transactions for the quarter and financial year ended 31st March, 2025 was due to the time required for compilation, reconciliation and finalisation of the relevant related party transaction details. The requisite disclosure was subsequently filed with the Stock Exchange. The Company has strengthened its internal processes for timely compilation, review and submission of such disclosures to ensure compliance with the applicable regulatory requirements going forward.

c) *It is observed that the Company has defaulted in the repayment of principal and/or interest obligations on its unlisted debentures.*

Management Response:

The Company acknowledges the delay in servicing certain obligations relating to its unlisted debentures. The delay has arisen primarily on account of liquidity constraints and temporary mismatch in the Company's cash flows. The management is actively taking steps to improve liquidity and regularise the outstanding obligations, including through augmentation of funds and other appropriate financial measures.

The Company is also engaging with the concerned debenture holders/debenture trustee, as applicable, for resolution of the outstanding obligations. The management remains committed to meeting its obligations and taking all necessary steps for timely servicing of the outstanding dues.

d) *The Company has made payment of annual Listing Fee for the year 2025-2026 after the due date.*

Management Response:

The payment was made after the due date due to an inadvertent delay. The same has since been regularised, and necessary steps have been taken to ensure timely payment going forward.

e) *The Company has made payment of annual charges for the year 2025-2026 to the Depositories after the respective due dates;*

Management Response:

The payment of annual charges was made after the respective due dates due to an inadvertent delay. The same has since been regularised, and necessary steps have been taken to ensure timely payment going forward.

f) *During the year, the Company received Demand-cum Show Cause Notice from the Office of the Assistant Commissioner of Customs, Air Cargo Complex, Mumbai in relation to customs/export matters and calling upon the Company to appear for personal hearing. The personal hearing has been conducted and further communication/order from the concerned authority is awaited.*

Management Response:

The Company has duly attended the personal hearing before the concerned Customs Authority. Further communication/order from the Authority is awaited.

g) *During the previous financial year, the Company had received an arbitration award and execution proceedings in relation to dues claimed by M/s. Ramdev Resins Private Limited aggregating to Rs. 28,20,230/- including interest. During the current year, the Company settled the matter through payment of Rs. 28,41,111/- towards full and final settlement pursuant to MSME/execution proceedings before the Hon'ble High Court of Bombay and the matter stands resolved and closed.*

Management Response:

The matter has been amicably settled through payment of Rs. 28,41,111/- towards full and final settlement, and the matter stands resolved and closed.

h) *The Company received a Statement of Claim from M/s. Deep Industries before the Hon'ble MSEFC, Ahmedabad in continuation of arbitration proceedings under the MSMED Act, 2006 alleging delayed payment and claiming aggregate dues of Rs. 97,59,128/- including interest. The matter is under review with the Company's legal advisors and the proceedings are ongoing.*

Management Response:

The matter is presently under review with the Company's legal advisors, and the proceedings are ongoing before the Hon'ble MSEFC, Ahmedabad.

i) *During the year, the Company received e-filing intimation from the Hon'ble National Company Law Tribunal (NCLT), Mumbai in relation to a petition filed by M/s. Kamlesh Corporation concerning alleged outstanding dues payable by the Company. Subsequently, various hearings and adjournments took place before the Hon'ble NCLT. The proceedings are presently pending before the Hon'ble NCLT, Mumbai.*

Management Response:

The matter is presently pending before the Hon'ble NCLT, Mumbai, and the Company is taking appropriate steps in consultation with its legal advisors.

j) *During the year, the Company received legal notice from M/s. Marudhar Refractories alleging outstanding dues together with interest and legal charges. Subsequently, Notice for Pre-Institution Mediation proceedings before the Mediation Centre, Vapi was also received by the Company. Thereafter, the matter was amicably resolved and settled between the parties and payment of Rs. 1,05,653/- was made by the Company towards full and final settlement. Accordingly, the matter stands resolved and closed.*

Management Response:

The matter has been amicably settled through payment of Rs. 1,05,653/- towards full and final settlement, and the matter stands resolved and closed.

k) *During the year, delays were observed in repayment/redemption of the Company's 7% Unlisted, Secured, Redeemable, Non-Convertible Debentures ("NCDs"), including Old Series-III Debentures aggregating to Rs. 64,72,000/- and Series-IV Debentures aggregating to Rs. 1,46,78,900/-, together with non-payment of accrued interest thereon. Further, Axis Trustee Services Limited, acting as Debenture Trustee, issued a Notice of Event of Default in relation to aggregate dues payable to Old Series-III and New Series-IV Debenture Holders. The Company is in discussions with debenture holders and the Debenture Trustee for settlement/resolution of the matter and the matter is ongoing.*

Management Response:

The Company is in discussions with the Debenture Holders and the Debenture Trustee for resolution of the outstanding obligations. The matter is presently ongoing.

l) *During the year, the Company received Notice for Scrutiny of Returns in Form GST ASMT-10 dated 13th January, 2026 from the Office of the Deputy Commissioner of State Tax, Ambad, Nashik, Maharashtra under Section 61 of the CGST/SGST Act, 2017 in relation to GST liability for FY 2023-24 involving alleged discrepancies aggregating to approximately Rs. 26,72,121.72 (Rupees Twenty Six Lakhs Seventy Two Thousand One Hundred Twenty One and Paise Seventy Two only). The Company had submitted its reply to the authority, further action/hearing is awaited.*

Management Response:

The Company has submitted its reply to the GST Authority. Further communication/action from the Authority is awaited.

m) *During the year, the Company received notice dated 30th March, 2026 under Section 148A(1) of the Income-tax Act, 1961 from the Office of the Assistant Commissioner of Income Tax, Circle 2(1)(1), Mumbai in relation to Assessment Year 2021-22 seeking details and explanations as to why proceedings under Section 148 of the Income-tax Act, 1961 should not be initiated for alleged income escaping assessment. The Company had submitted its reply to the authority, further action/hearing is awaited.*

Management Response:

The Company has submitted its reply to the Income-tax Authority. Further communication/action from the Authority is awaited.

n) *During the year, the Company received Notice for Pre-Institution Mediation from the Mediation Centre, Mumbai District Legal Services Authority, City Civil & Sessions Court, Dindoshi, Mumbai in the matter filed by M/s. Steel-O-Fab Engineers alleging outstanding dues aggregating to Rs. 15,01,295/-. The Company and its Directors were directed to appear before the Mediation Centre through authorised representative/counsel and the matter is presently under mediation proceedings.*

Management Response:

The matter is presently under mediation before the Mediation Centre, Mumbai, and the Company is taking appropriate steps in consultation with its legal advisors.

17. CORPORATE GOVERNANCE:

Non-applicability of Corporate Governance provisions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Pursuant to the provisions of Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46, and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to a listed entity whose paid-up equity share capital does not exceed Rs. 10 Crore and whose net worth does not exceed Rs. 25 Crore, as on the last day of the previous financial year.

In view of the above, based on the latest audited financial statements of the Company as at 31st March, 2026, the paid-up equity share capital and net worth of the Company are below the respective threshold limits of Rs. 10 Crore and Rs. 25 Crore, respectively. Accordingly, the provisions relating to Corporate Governance specified under Regulation 15(2) of the Listing Regulations are not applicable to the Company and, therefore, the Corporate Governance Report has not been enclosed with the Annual Report.

18. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company complies with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as issued by the Institute of Company Secretaries of India.

19. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT:

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Non-Executive Directors are uploaded on the website of the Company at www.harishtextile.com.

20. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Independent Directors of Harish Textile Engineers Limited are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

The Company has a practice of conducting familiarization programmes for the Independent Directors. Independent Directors are appointed as per the applicable policy of the Company and based on their management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company’s vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings.

The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at the Company’s website to enable them to familiarize themselves with the Company’s procedures and practices.

Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, including the nature of the industry in which the Company operates, its business model, the roles, rights and responsibilities of Independent Directors and other relevant information.

Pursuant to Regulation 46 of the Listing Regulations, the details of the Familiarization Programme for Independent Directors are uploaded on the Company's website at https://www.harishtextile.com/investors/policies.

21. DOCUMENTS PLACED ON THE WEBSITE OF THE COMPANY:

The following documents and information, as applicable, have been placed on the website of the Company in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations:

- Financial statements of the Company along with relevant documents as per Section 136(1) of the Act, as applicable;
- Details of Vigil Mechanism for directors and employees to report genuine concerns in accordance with Section 177 of the Act;
- Latest announcements and disclosures;
- Annual Reports;
- Annual Return;
- Shareholding Pattern;
- Code of Conduct;
- Policies;
- Nomination and Remuneration Policy;
- Materiality Policy under Regulation 30 of SEBI (LODR) Regulations, 2015.

22. HUMAN RESOURCE MANAGEMENT (MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED):

The Company offers a growth environment along with monetary benefits in line with industry standards. The Company has a number of employee initiatives to attract, retain and develop talent in the organization. The industrial relations during the year were cordial on all the fronts. The number of people employed as at 31st March, 2026 were 123.

23. SHARE CAPITAL OF THE COMPANY:

Authorized Share Capital:

The Authorized Share Capital as on 31st March, 2026 was Rs. 10,00,00,000 divided into 1,00,00,000 Equity Shares of Rs. 10 each, which is same as at the previous year end.

Issued, Subscribed and Paid-up Share Capital:

The Paid up Equity Share Capital as on 31st March, 2026 was Rs. 3,33,60,000 divided into 33,36,000 Equity shares of Rs. 10 each, which is same as at the previous year end.

Rights Issue:

The proposed Rights Issue approved by the Board was subsequently withdrawn/dropped on 25th June, 2025. Accordingly, no Rights Issue was undertaken by the Company pursuant thereto.

Preferential Issue:

During the year under review, the Board of Directors approved the proposal for issue of Equity Shares on a preferential basis, subject to the requisite statutory, regulatory and other approvals. The Members of the Company approved the proposed Preferential Issue at the Extra-Ordinary General Meeting held on 11th March, 2026.

The Company has made an application to BSE Limited for obtaining the requisite in-principle approval in respect of the proposed Preferential Issue. As on the date of this Report, the in-principle approval from BSE Limited is pending. Accordingly, the proposed Preferential Issue has not been completed as on the date of this Report and no Equity Shares have been allotted pursuant thereto.

The proposed Preferential Issue shall be completed subject to receipt of the requisite approvals and fulfilment of the applicable conditions under the Companies Act, 2013, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations.

24. SHARES/ DEBENTURES:

- Buyback of Securities: The Company has not bought back any of the securities during the year under review.

- Sweat Equity: The Company has not issued any sweat equity shares during the year under review.

- Employee Stock Option Plan: The Company has not provided any stock options to the employees.

- Non-Convertible Debentures: During the year under review, the Company did not issue any new debentures.

The Company had issued and allotted 4,23,209 7% (non-cumulative) Unlisted, Secured, Unrated, Redeemable, Non-Convertible Debentures of the face value of Rs. 100/- each, aggregating to Rs. 4,23,20,900 (Rupees Four Crore Twenty Three Lakh Twenty Thousand and Nine Hundred Only) on 21st September, 2022 for a tenure of three (3) years. The said NCDs were divided into four (4) different series having different maturity dates.

Series of Debentures	**Date of Redemption**
Old Series-I Debentures	Redeemed
Old Series-II Debentures	Redeemed
Old Series-III Debentures	*07th October, 2025
Series-IV Debentures	20th December, 2025

The Old Series-III Debentures, which were due for redemption on 07th October, 2025, and the Series-IV Debentures, which were due for redemption on 20th December, 2025, have not been redeemed as on the date of this Report. Accordingly, the Company is in default in respect of the redemption of the aforesaid NCDs.

The Company is in discussions with the NCD holders and the Debenture Trustee(s) for resolution of the outstanding dues and proposes to make full and final payment to all the debenture holders by 30th June, 2026, subject to the terms mutually agreed with the concerned parties and applicable approvals, if any.

25. CREDIT RATING:

During the year under review, the Company had outstanding Non-Convertible Debentures which were unlisted and unrated. The Company did not have any other debt instrument, fixed deposit programme, or any scheme or proposal involving mobilisation of funds, either in India or abroad, which required a credit rating under the applicable laws and regulations. Accordingly, no credit rating was obtained by the Company during the year under review.

26. PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, an application was filed by one of the suppliers and proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

27. ONE-TIME SETTLEMENT AND VALUATION:

During the year under review, there was no one-time settlement entered into with any bank or financial institution. Accordingly, no disclosure relating to any difference between the amount of the valuation done at the time of one-time settlement and the valuation while taking loan from the banks or financial institutions is required.

28. COMPLIANCE WITH SECRETARIAL STANDARDS:

Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

29. REPORTING OF FRAUDS BY AUDITORS:

During the year under review, the Statutory Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Central Government under Section 143(12) of the Companies Act, 2013.

30. DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.

31. DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(5) of the Companies Act, 2013, state that:

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

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Remuneration to the Directors/KMP

Sr. No.	**Name of KMP**	**Designation**	**Remuneration in the year 2025-2026 (in Rs. Lakhs)**
1	Sandeep Gandhi	Managing Director	167.34
2	Sunil Bhirud	Executive Director	27.06
3	Pinkesh Upadhyay	Chief Financial Officer	18.00
4	Priya Gupta	Company Secretary & Compliance Officer	7.93

The Company has recognised a provision towards managerial remuneration amounting to INR 97.20 Lakhs for the period from October 2025 to March 2026, during which the Company is in default of repayment of dues to Debenture Holders. The said provision has been made on the same basis as in earlier periods and in accordance with the approval granted by the shareholders. The management is of the view that, having regard to Section 197 (1) proviso of the Companies Act, 2013, the managerial remuneration cannot be paid during the period of default in redemption of NCDs without the approval of NCD holders and the shareholders. However, the said proviso does not absolve the Company from making the payment of managerial remuneration of the default period once the default is set right. Since the accounts are maintained on an accrual basis, the Company is duty bound to make a provision for remuneration which, even though not payable during the default period, will become payable once the default is set right and subject to compliance with the applicable provisions of the Companies Act, 2013 and other relevant regulations.

32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

Conservation of Energy: The Company's operations involve low energy consumption. However efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

Technology Absorption: The Technology available and utilized is continuously being upgraded to improve overall performance and productivity.

Research & Development: Your Company believes that research & development is a continuous process for sustained corporate excellence. Our research & development activities help us in product and service improvement, effective time management and are focused to provide unique benefits to our customers. Such methods do not involve any specific cost burden to the Company.

Foreign Exchange Earnings: Rs. 2,46,80,024/- (previous year Rs. 3,14,98,752/-)

Foreign Exchange Outgo: Rs. 27,13,867/- (previous year Rs. 2,61,69,026/-)

33. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, the Chairperson, and the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee.

Criteria for Performance Evaluation of Independent Directors includes:

- Attendance and Participation.
- Maintaining confidentiality.
- Acting in good faith and in the interest of the Company as a whole.
- Exercising duties with due diligence and reasonable care.
- Complying with legislations and regulations in letter and spirit.
- Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion.
- Capacity to effectively examine financial and other information on operations of the Company and the ability to make positive contribution thereon.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 05th January, 2017.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board expressed its satisfaction with the performance of all the Directors, Board and its Committees, reflecting the overall engagement of the Directors, the Board and its Committees with the Company.

34. LISTING OF SHARES:

The equity shares of the Company are listed on BSE Limited. Applicable listing fees have been paid up to date. The equity shares of the Company have not been suspended from trading at any time during the year by the concerned Stock Exchange.

35. NUMBER OF MEETINGS OF THE BOARD:

During the year, **23 Board Meetings** were held.

The dates on which the Board Meetings were held along-with attendance are as follows:

SR. NO.	BOARD MEETING DATE	DIRECTORS PRESENT
1	07-04-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt
2	28-04-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt
3	22-05-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt
4	10-06-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt
‘5	25-06-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
6	22-07-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
7	14-08-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
8	21-08-2025	Sandeep Gandhi

		Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
9	04-09-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
10	17-09-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
11	01-10-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
12	07-10-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
13	31-10-2025	Sandeep Gandhi Sunil Bhirud Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
14	14-11-2025	Sandeep Gandhi Sunil Bhirud #Mahesh Sapariya Bhavna Brahmbhatt * Ashwini Gupta
15	21-11-2025	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta
16	12-12-2025	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta
17	20-12-2025	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta
18	14-01-2026	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta

19	30-01-2026	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta
20	10-02-2026	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta
21	13-02-2026	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta
22	20-02-2026	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta
23	09-03-2026	Sandeep Gandhi Sunil Bhirud Bhavna Brahmbhatt * Ashwini Gupta

Changes in the composition of the Board during the year were as follows:

a) Mr. Sunil Narayan Bhirud (DIN: 03469816) was appointed as an Executive Director of the Company w.e.f. 27th March, 2025.

b) #Mr. Mahesh Ratilal Sapariya Independent Director, has been resigned from the post of Directorship w.e.f. 14th November, 2025.

c) Mr. Ritesh Harshad Patel (DIN: 00700189) has resigned from the post of Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025

d) *Mr. Ashwini Ramakant Gupta (DIN: 08930567) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025.

36. INTERNAL FINANCIAL CONTROL SYSTEM:

The details in respect of the internal financial control system and its adequacy are included in the Management Discussion and Analysis Report forming part of this Annual Report.

37. COMPOSITION OF AUDIT COMMITTEE:

The Audit Committee is constituted in accordance with the applicable provisions of Section 177 of the Companies Act, 2013, read with the rules made thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities relating to the financial reporting process, internal financial controls, governance and statutory and internal audit activities of the Company.

The Company has an Internal Auditor who is responsible for conducting the internal audit of the Company. The Internal Auditor reports to the Audit Committee of the Board.

The Audit Committee may invite such executives as it considers appropriate, as well as representatives of the Statutory Auditors and Internal Auditors, to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

During the year, **23 Audit Committee Meetings** were held.

The dates on which the Audit Committee Meetings were held along-with attendance are as follows:

SR. NO.	AUDIT COMMITTEE MEETING DATE	COMMITTEE MEMBERS PRESENT
1	07-04-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya
2	28-04-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya
3	22-05-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya
4	10-06-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya
‘5	25-06-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
6	22-07-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
7	14-08-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
8	21-08-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
9	04-09-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
10	17-09-2025	Sunil Bhirud Bhavna Brahmbhatt

		Mahesh Sapariya Ashwini Gupta
11	01-10-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
12	07-10-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
13	31-10-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
14	14-11-2025	Sunil Bhirud Bhavna Brahmbhatt Mahesh Sapariya Ashwini Gupta
15	21-11-2025	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
16	12-12-2025	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
17	20-12-2025	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
18	14-01-2026	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
19	30-01-2026	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
20	10-02-2026	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
21	13-02-2026	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
22	20-02-2026	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta
23	09-03-2026	Sunil Bhirud Bhavna Brahmbhatt Ashwini Gupta

a) Mr. Sunil Narayan Bhirud (DIN: 03469816) was appointed as an Executive Director of the Company w.e.f. 27th March, 2025.

b) Mr. Mahesh Ratilal Sapariya Independent Director, has been resigned from the post of Directorship w.e.f. 14th November, 2025.

c) Mr. Ritesh Harshad Patel (DIN: 00700189) has resigned from the post of Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025

d) Mr. Ashwini Ramakant Gupta (DIN: 08930567) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025.

The members of the Audit Committee and their attendance at committee meetings are as under:

Name of the Director	**Category**	**No. of Meetings attended**
Mr. Ritesh Patel	Non-Executive & Independent Director	0
Mrs. Bhavna Brahmbhatt	Chairperson, Non-Executive & Independent Director	23
Mr. Sunil Bhirud	Executive Director & Whole Time Director	23
Mr. Mahesh Sapariya	Non-Executive & Independent Director	14
Mr. Ashwini Gupta	Non-Executive & Independent Director	19

Changes in the composition of the Committee during the year were as follows:

a) Mr. Sunil Narayan Bhirud (DIN: 03469816) was appointed as an Executive Director of the Company w.e.f. 27th March, 2025.

b) Mr. Mahesh Ratilal Sapariya Independent Director, has been resigned from the post of Directorship w.e.f. 14th November, 2025.

c) Mr. Ritesh Harshad Patel (DIN: 00700189) has resigned from the post of Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025

d) Mr. Ashwini Ramakant Gupta (DIN: 08930567) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025.

<u>The Committee in particular looks into:</u>

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment, re-appointment and removal of statutory auditor, fixation of audit fees and also approval of payment of any other services.
- To ensure proper disclosure in the Quarterly, Half yearly and Annual Financial Statements.
- To review the functioning of the Whistle Blower Mechanism.
- Reviewing with management the quarterly / annual financial statements before submission to the Board focusing primarily on the following:

- Matters required to be included in the Director's Responsibility Statement.
- Any change in accounting policies and practices.
- Major accounting entries based on exercise of judgment by management.
- Significant adjustment arising out of audit.
- Compliance with accounting standards.
- Compliance with listing and other legal requirements relating to financial statements.
- Qualification in draft audit report.

- Any related party transaction, i.e., transaction of the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of Company at large. Approval or any subsequent modification of transactions of the Company with related parties and granting omnibus approval to related party transactions which are in the ordinary course of business and on an arm's length basis and to review and approve such transactions.
- Reviewing with the management, statutory and internal auditors and the adequacy of internal control systems and reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity of a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies (if any).
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Approval of appointment of CFO (i.e., the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
- Review and monitor the Auditor's independence, performance and effectiveness of audit process.
- Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.

38. NOMINATION REMUNERATION COMMITTEE:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and determination of their remuneration.

<u>Nomination remuneration and compensation committee policy (NRC Committee):</u>

The Nomination and Remuneration Committee ("NRC") of the Company is constituted by the Board of Directors from amongst its members. The composition of the NRC is in accordance with the applicable provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

The Chairman of the NRC shall be an Independent Director. The Committee may invite such executives of the Company as it considers appropriate to attend its meetings. The Company Secretary shall act as the Secretary to the NRC.

The Nomination and Remuneration Policy is available on the Company's website at: https://www.harishtextile.com/investors/policies

Remuneration Policy:

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. Remuneration of employees largely consists of basic remuneration and performance incentives. The Company while deciding the remuneration package takes into consideration the employment scenario, remuneration package of the industry and the remuneration package of other Industries.

The Remuneration of the Executive Directors is decided by the Nomination and Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry performance, track record of the Executive Directors.

The Nomination and Remuneration committee met **six times** during the year dated 07th April, 2025, 10th June, 2025, 04th September, 2025, 17th September, 2025, 14th November, 2025 and 10th February, 2026. Company Secretary of the Company acted as the Secretary to the Committee.

The members of the Nomination and Remuneration Committee and their attendance at committee meetings are as under:

Name of the Director	Category	No. of Meetings attended
Mr. Ritesh Patel	Non-Executive & Independent Director	0
Mr. Mahesh Sapariya	Non-Executive & Independent Director	5
Mrs. Bhavna Brahmbhatt	Non-Executive & Independent Director	6
Mr. Ashwini Gupta	Non-Executive & Independent Director	4

Changes in the composition of the Committee during the year were as follows:

a) Mr. Mahesh Ratilal Sapariya Independent Director, has been resigned from the post of Directorship w.e.f. 14th November, 2025.

b) Mr. Ritesh Harshad Patel (DIN: 00700189) has resigned from the post of Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025

c) Mr. Ashwini Ramakant Gupta (DIN: 08930567) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025.

The Company has not issued any stock options to the Directors. The Independent Directors of the Company have disclosed that they do not hold any equity shares of the Company. There has been no pecuniary relationship or transactions of the Non-Executive Directors with the Company during the year under review, except as may have been disclosed elsewhere in this Annual Report.

The Committee in particular looks into:

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 with Part D of the Schedule II of SEBI Listing Regulations, read with Section 178 of the Act.

- Recommend to the Board the setup and composition of the Board and its Committees.
- Recommend to the Board the appointment and removal of Directors and Key Managerial Personnel and Senior Management.
- Recommend to the Board the remuneration policy for Directors, Key Managerial Personnel and Senior Management.
- Formulate criteria for determining qualifications, positive attributes and independence of a Director.
- Recommend to the Board a policy relating to the remuneration for Directors, Key Managerial Personnel and Senior Management.
- Review and recommend remuneration of Directors and Senior Management in accordance with the applicable policy.
- Review the performance of the Chairman, Managing Director and Whole-time Directors, as applicable, having regard to the performance of the Company.
- Review the overall compensation policy, service agreements, performance incentives and other employment conditions of Executive Directors.
- Evaluate the performance of the Board, its Committees and individual Directors and support the Board in carrying out such evaluation.
- Oversee the familiarisation programmes for Directors.

39. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee is constituted in accordance with the applicable provisions of Regulation 20 of the SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

Terms of reference:

The Committee is responsible for assisting the Board of Directors in discharging its responsibilities relating to the redressal of grievances of security holders of the Company.

Functions:

The Members of the stakeholders' relationship committee met **five times** during the financial year under review dated 07th April, 2025, 10th June, 2025, 25th June, 2025, 04th September, 2025, and 14th November, 2025. Company Secretary of the Company acted as the Secretary to the Committee.

The Composition of the Shareholders Relationship Committee constituted and details of the meetings attended by the Directors are given below.

The members of the stakeholders' relationship committee and their attendance at committee meetings are as under:

Name of the Director	Category	No. of Meetings attended
Mr. Ritesh Patel	Non-Executive & Independent Director	0
Mr. Sunil Bhirud	Executive & Whole-Time Director	5
Mrs. Bhavna Brahmbhatt	Chairperson, Non-Executive & Independent Director	5
Mr. Mahesh Sapariya	Non-Executive & Independent Director	5
Mr. Ashwini Gupta	Non-Executive & Independent Director	3

Changes in the composition of the Committee during the year were as follows:

a) Mr. Sunil Narayan Bhirud (DIN: 03469816) was appointed as an Executive Director of the Company w.e.f. 27th March, 2025.

b) Mr. Mahesh Ratilal Sapariya Independent Director, has been resigned from the post of Directorship w.e.f. 14th November, 2025.

c) Mr. Ritesh Harshad Patel (DIN: 00700189) has resigned from the post of Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025

d) Mr. Ashwini Ramakant Gupta (DIN: 08930567) was appointed as a Non-Executive, Independent Director of the Company w.e.f. 10th June, 2025.

The Committee meets at frequent intervals to approve, inter alia, transfer/transmission of equity shares, non-receipt of Annual Reports and to attend to complaints of investors routed through SEBI/Stock Exchanges. The Committee also reviews the status of investors' grievances and the grievance redressal mechanism and recommends measures to improve the level of investor services.

Details of share transfer/transmission approved by the Committee are placed before the Board from time to time. The Company Secretary of the Company acted as the Secretary to the Stakeholders' Relationship Committee.

<u>The Committee in particular looks into:</u>

- To oversee and review redressal of shareholder and investor grievances, on matters relating to issue, transfer, transmission of securities, non-receipt of annual report, non-receipt of dividends/interests.
- To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company, if any.
- Attending to complaints of security holders routed by SEBI (SCORES)/Stock Exchanges/RBI or any other Regulatory Authorities.
- Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis within the parameters set out by the Board of Directors.
- To monitor transfer of the amounts/shares transferable to Investor Education and Protection Fund.
- To list the securities of the Company on Stock Exchanges.
- Any other matters that can facilitate better investor services and relations.

- Review activities with regard to the Health Safety and Sustainability initiatives of the Company.
- 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 shareholder of the Company.

During the year under review, certain queries/complaints were received from shareholders/investors and all such queries/complaints were attended to and resolved within the prescribed timelines. Accordingly, no complaint/query remained unresolved or pending as on 31st March, 2026. The number of pending share transfers as on 31st March, 2026 was Nil.

40. RIGHTS ISSUE COMMITTEE:

The Rights Issue Committee was constituted by the Board of Directors at its meeting held on 28th April, 2025, in accordance with the provisions of the Companies Act, 2013 and the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Subsequently, the Board of Directors dissolved the Rights Issue Committee at its meeting held on 25th June, 2025, as the proposed Rights Issue was not pursued by the Company and was accordingly dropped.

41. INDEPENDENT DIRECTORS' MEETING:

During the year under review, as required under Schedule IV to the Companies Act, 2013 and the provisions of SEBI Listing Regulations, 2015, the Independent Directors met on 09th March, 2026, without the presence of Executive Directors or members of management, inter alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

42. VIGIL MECHANISM (WHISTLE BLOWER POLICY):

The Company's Whistle Blower Policy provides a mechanism under which an employee/director of the Company may report unethical behaviour, suspected or actual fraud, violation of code of conduct and personnel policies of the Company. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website at https://www.harishtextile.com/investors/policies

During the year under review, there were no complaints received under this mechanism.

43. RISK MANAGEMENT POLICY:

Pursuant to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions relating to constitution of the

Risk Management Committee are applicable to the top 1,000 listed entities, determined on the basis of market capitalisation, and to a High Value Debt Listed Entity.

Since the Company does not fall within the applicability criteria specified under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions relating to constitution of the Risk Management Committee under the said Regulation are not applicable to the Company. Accordingly, the Company is not required to constitute a Risk Management Committee or formulate a Risk Management Policy under Regulation 21 of the aforesaid Regulations.

44. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto have been disclosed in Form No. AOC-2 as **Annexure-III**.

45. CORPORATE SOCIAL RESPONSIBILITY:

The Company was not required to constitute a Corporate Social Responsibility Committee during the financial year under review, as it did not fall within the purview of Section 135(1) of the Companies Act, 2013 during the said financial year. Accordingly, the Company was not required to formulate a Corporate Social Responsibility Policy or undertake CSR activities during the financial year under review.

46. PARTICULARS OF EMPLOYEE:

The particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as applicable, are provided in **Annexure-IV** to this Report.

47. VARIOUS POLICIES OF THE COMPANY:

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has formulated, implemented and amended, from time to time, various policies as required under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policies are reviewed periodically by the Board and/or the respective Committees, as applicable, and are updated based on the applicable legal and regulatory requirements.

The amended copies of the applicable policies are available on the Company's website at www.harishtextile.com.

48. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

49. POLICY FOR PROHIBITION OF INSIDER TRADING:

The Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons and their immediate relatives and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in accordance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Code also provides for pre-clearance of transactions by designated persons, whenever required.

The Company follows closure of trading window in accordance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct and advises the designated persons covered by the said Code not to trade in the Company's securities during the closure of trading window period.

50. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed an Internal Committee to address complaints pertaining to sexual harassment in the workplace. The Company policy mandates prevention of sexual harassment and to ensure a free and fair enquiry process with clear timelines for resolution. During the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Prevention of Sexual Harassment (POSH) of Women at Workplace Policy is available on the Company's website at: https://www.harishtextile.com/investors/policies.

51. REMUNERATION TO DIRECTOR AND EMPLOYEES:

Details/Disclosures of ratio of remuneration to each Director to median employee's remuneration as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and details of remuneration paid to Employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as **Annexure-IV**.

52. MD & CFO CERTIFICATION:

In terms of the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification by the Managing Director and the Chief Financial Officer is annexed to this Annual Report.

53. INVESTOR RELATIONS:

Your Company always endeavours to keep the time of response to shareholders request/grievance at the minimum. Priority is accorded to address all the issues raised by shareholders and provide them a satisfactory reply at the earliest possible time. The Stakeholder Relationship Committee of the board meets periodically and reviews the status of the Shareholders' Grievances.

54. ACKNOWLEDGEMENTS:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from various stakeholders including financial institutions and banks, government authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors take this opportunity to place on record their appreciation for the committed services rendered by the employees of the Company at all levels, who have contributed significantly towards the Company's performance and for enhancing its inherent strength.

Your Directors also acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

Harish Textile Engineers Limited

Sandeep Gandhi	**Sunil Bhirud**
Managing Director	**Executive Director**
DIN: 00941665	**DIN: 03469816**

Date: 30th May, 2026
Place: Mumbai

MD & CFO CERTIFICATION

To,
The Board of Directors
Harish Textile Engineers Limited
Mumbai

Dear Sir/ Madam,

We, Sandeep Gandhi, Managing Director and Pinkesh Upadhyay, Chief Financial Officer of Harish Textile Engineers Limited ("the Company"), to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company's affairs and comply 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 is fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

1. that there were no significant changes in internal control over financial reporting during the year;
2. that there were no significant changes in accounting policies during the year; and
3. that there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking you,

Harish Textile Engineers Limited

Sandeep Gandhi	**Pinkesh Upadhyay**
Managing Director	**Chief Financial Officer**
DIN: 00941665	**PAN: AACPU1766B**

Date: 30th May, 2026
Place: Mumbai

ANNEXURE I
MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The purpose of this discussion is to provide an understanding of financial statements and a composite summary of performance of our business. Management Discussion and Analysis (MDA) is structured as follows:

Global Textile Industry Outlook:

The 2024–2025 biennium marks a period of profound transformation for the global textile industry. Amid economic pressure, geopolitical challenges, and growing demand for sustainability, the most resilient companies have focused on innovation, digitalization, and responsible production models, turning challenges into opportunities for growth.

In 2024 and 2025, the textile sector underwent significant evolution, driven by technological innovation and an increasingly sustainability-focused regulatory framework. The European Union introduced key regulations establishing new standards for traceability, repairability, and recycled content, effectively turning sustainability into a strategic driver of competitiveness.

In 2024 and 2025, the textile sector showed mixed dynamics but with positive prospects: the global textile market value increased from USD 618 billion in 2024 to USD 660 billion in 2025, with an average annual growth rate of 6.8%.

During this period, consumer preferences also shifted significantly, with a growing emphasis on sustainable, traceable and long-lasting textile products—particularly those made from recycled or bio-based fibers and supported by transparent supply chains.

In 2024, global textile fiber production reached 132 million tons, confirming a steady growth trend. Polyester maintained its leading position with approximately 78 million tons (59%), while polyamide (nylon) accounted for about 5% of the global market—around 7 million tons—up from 6.7 million tons in 2023.

Innovation and Sustainability: The New Drivers of the Textile Sector

The 2025 performance review of the textile industry highlights a growing convergence between sustainability and technological innovation. Digital traceability is becoming the new standard, with the increasing adoption of RFID systems, block chain and integrated data platforms that ensure full supply chain transparency.

At the same time, research is increasingly focused on reducing carbon footprints through the use of alternative feed stocks, including recycled plastics, captured CO_2, biomass and industrial waste.

Textile Industry Outlook for 2026 and Beyond

After a two-year period marked by profound change, sustainability remains the common thread shaping the future evolution of the textile sector, influencing industrial decisions, investment strategies, and production models.

In the coming years, the industry will also be shaped by new industrial and geopolitical trends. Reshoring—the return of production closer to end markets—is gaining momentum in Europe and

Asia, aiming to reduce import dependency, cut transportation-related emissions, and strengthen supply chain resilience.

At the same time, the growth of regional manufacturing and the adoption of carbon pricing policies by the European Union and several Asian countries will encourage companies to invest in low-emission technologies and more efficient production processes. These shifts will help redefine the global textile landscape, favouring more local, digital, and sustainable production models.

Looking ahead, the textile sector shows positive signs of maturity and renewal. The global market is expected to grow at an average annual rate of 3–4% through 2028, driven by the expansion of regenerated materials and ESG policies. Key trends include increased use of regenerated and bio-based fibers, reduced energy and water consumption through efficient facilities, stronger European regulations, and the development of new CO_2 capture technologies to create near-zero-emission textile polymers.

The performance review of the textile industry therefore confirms a shift toward an increasingly circular, digital and traceable ecosystem, where bio-based and recycled polyamides emerge as symbols of sustainable progress and a renewed balance between innovation and responsibility.

<u>Indian Textile Industry Outlook:</u>

Overview of India’s Textile Sector

India’s textile sector continues to remain an important contributor to the country’s economy and employment. India holds a significant position in global textile trade, supported by its large manufacturing base, skilled workforce, diversified product capabilities and growing export markets.

• 6th Largest Exporter: India holds 8.21% share in global textile trade (2023-24).

• Employment Generator: Provides direct jobs to 45 million people and indirect livelihood to over 100 million, including rural and women workers.

• Export Markets: USA and EU account for 47% of India’s textile exports.

• Government Initiatives: ₹10,683 crore allocated under Production Linked Incentive (PLI) Scheme to boost manufacturing.

Booming Categories in the Textile Industry

1. Technical Textiles:
High-performance textiles used in aerospace, medical, and infrastructure. The segment is projected to reach $300 billion by 2047.

2. Sustainable & Organic Textiles:
Rising demand for eco-friendly fabrics such as organic cotton, bamboo textiles, and biodegradable materials.

3. Digital & Smart Textiles:
AI-driven manufacturing, IoT-based quality control, and 3D weaving are increasingly transforming production processes.

4. Handloom & Artisanal Textiles:
Government initiatives continue to promote handloom clusters to preserve India's rich weaving heritage.

5. Man-Made Fibre (MMF) and Apparel:
Increasing focus on synthetic textiles, MMF apparel, and high-value garments provides opportunities for growth and diversification.

Key Government Schemes Supporting the Textile Sector

1. PM MITRA (Mega Integrated Textile Region & Apparel Parks): 7 mega parks with world-class infrastructure and $10 billion expected investment.

2. Production Linked Incentive (PLI) Scheme: ₹10,683 crore incentive for MMF fabrics, technical textiles, and high-value apparel.

3. Samarth Scheme: Skilling 10 lakh artisans and textile workers to bridge skill gaps.

4. Integrated Processing Development Scheme (IPDS): Support for eco-friendly processing units to meet global environmental standards.

5. National Handloom Development Programme (NHDP): Support for handloom weavers, market linkages, and financial assistance.

6. Raw Material Support Schemes: Initiatives for promotion of cotton, jute, silk, and wool to enhance quality and yield.

India's textile industry is on the cusp of transformational growth, driven by government support, innovation, and sustainability. Bharat Tex 2025 has reinforced India's position as a global textile hub, with a clear roadmap to achieve ₹9 lakh crore in exports by 2030. With strong policy backing, technological advancements, and skilled workforce development, India is set to redefine the global textile landscape.

By 2030, India is expected to be a major player not only in textiles but also in the emerging markets of smart and technical textiles. Sustainability will remain a key focus, and companies that embrace eco-friendly practices will be well positioned to benefit from the global market. However, the industry must continue to innovate, improve infrastructure, and address environmental concerns to fully realise its potential.

As India continues to scale its textile industry, it is expected to remain an important hub for textile manufacturing, exporting high-quality products to global markets and catering to a growing domestic market. The coming years are expected to be transformative for the industry, with increasing opportunities in textile innovation and sustainable production.

The Indian government aims to increase textile exports from ₹3 lakh crore to ₹9 lakh crore by 2030, leveraging sustainability, innovation, and policy support.

Company Performance/ Review of Operations:

For the Fiscal Year 2025-26, the Company has attained the top line of Rs. 138 crores. This records for almost 5% Y-o-Y growth in the annual turnover of the Company. The Non-Woven Business performed exceptionally well, showing an annual increase in the turnover by almost 14.13%. The performance of the PSF division was also increased substantially by about 9.55%. The Textile Engineering business is not performing well and has been incurring losses.

Non-Woven and PSF divisions are attaining their fullest capacity utilisations, and with a better product mix, the contributions from both the business segments are improving on a year-on-year basis. Non-Woven division with the help of a profitable product mix and increased capacity utilisations, has attained the EBIDTA contributions of 12.67% as against 11.97% for the Financial Year 2024-25. PSF division with the help of a profitable product mix has attained the EBIDTA contributions of 11.50% as against 10.07% for the Financial Year 2024-25.

Profits of Non-Woven and PSF Divisions get set off against the losses of the Textile Engineering Division.

At a consolidated level, the company has attained the EBIDTA contribution of Rs. 13.48 Crores as compared to EBIDITA Contribution of Rs. 5.92 Crs in the financial Year 2024-25.

Brief Introduction of Your Company:

Your Company is one of the leading producers of textile processing and finishing machinery in India. The machinery manufactured by your Company is well-accepted by reputed clients both in India and abroad. Your Company has successfully exported its products to over 25 countries, including prestigious markets like the United Kingdom.

The Company’s manufacturing facilities are spread across 50,000 square feet in Umbergam, Gujarat.

In addition to machinery manufacturing, your Company is also engaged in the production of Non-Woven fabrics, primarily used in automotive interiors, filtration, and hygiene segments. This activity is carried out at its Umbergam plant, which has a factory building of approximately 1,10,000 square feet.

Furthermore, your Company is involved in the production of polyester staple fibre (PSF) by recycling PET bottles and waste polyester at its plant located in Gonde, Nashik.

Strengths:

Over the years, your Company has gained significant product and domain expertise across all the products it manufactures.

It also has an excellent technical and design team capable of handling tailor-made and specialised projects, including those outside the textile industry.

Your Company has best-in-class infrastructure and advanced plant and machinery in this business. The PSF business is eco-friendly and sustainable as it converts PET bottles and polyester scrap into useful fibre. Your Company has domain expertise and experience in this segment, supported by strong infrastructure and ambitious plans for expansion.

The Company’s Non-Woven Business offers a wide range of products catering to a broad customer base. With backward integration through its PSF plant, the Company enjoys assured raw material supply, putting it in a unique and advantageous position in the industry.

Quality:

Harish machines are known and respected for their quality and productivity, and they command premium valuation in the market.

Similarly, the PSF and Non-Woven products of your Company are well-known for their high-quality standards and reliability.

Outlook:

The outlook for the financial year 2026-2027 appears positive. The Non-Woven Business has achieved its highest-ever monthly turnover. Non-Woven Segment is also planning to expand its capacity by acquiring additional NW lines during the year to cater the market demand.

There is good demand for Textile Processing and Finishing Machinery and the said loss making division is slowly back on the track of achieving no profit no loss or substantially reduced the losses in the first two months of operations.

The overall business scenario for both Non-Woven and PSF Segments also looks encouraging.

The recycling industry has moved from being considered a medium- to long-term viable business to now being a “must-have” for ecological development. As a result, this industry is moving from a side stream to the mainstream.

Many companies, particularly in the automotive industry, are increasingly seeking recycled materials to reduce their carbon footprint. Since your Company supplies fibre and Non-Woven fabrics mainly to automotive ancillary companies, it is well-positioned to cater to the growing demand in this segment.

OPPORTUNITIES AND THREATS:

Opportunities:

- Export markets offer strong opportunities for the engineering business.
- Specialised and tailor-made solutions for non-textile customers also present good growth prospects.
- For the PSF business, expansion plans are in place, and rising auto sales are improving opportunities for both PSF and Non-Woven Segments.

Threats:

- Potential threats include economic slowdown, liquidity issues, rising raw material prices, and unfavourable government policies.
- However, since the textile industry is one of the top three employment generators, government policies are expected to remain supportive.

Other Threats:

Geopolitical:

- Emerging geopolitical trade issues
- Trade restrictions and supply chain challenges
- Gulf war bearing its Price escalations effect on petroleum product.

New Competition:

- Entry of new players in the market

Financial:

- Volatility in the INR/USD exchange rates
- Higher interest rate regime

Cyber-Security:

- Data theft/loss
- Domain-based threats
- Hacktivism

- Website/system non-availability

Others:

- Possibility of global recession
- Supply chain disruptions
- Employee health and wellness concerns

RISKS AND CONCERNS:

The industry is currently facing risks due to a liquidity crunch and a global economic slowdown, caused by monetary tightening and higher interest rate regimes implemented by central banks around the world.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has a well-defined organizational structure, documented policies, and an authority matrix to ensure operational effectiveness, reliability of financial reporting, and compliance with applicable laws and regulations.

The internal financial control system includes:

- Proper delegation of authority
- Segregation of duties
- System access controls
- Proper documentation and record-keeping

The Internal Auditor continuously reviews the effectiveness of these controls. Reports prepared by the Internal Auditor are reviewed by the Audit Committee.

The Company follows a risk-based internal audit policy, with the objective of identifying key processes and controls, assessing their operating effectiveness, and providing recommendations for process improvement and control enhancement.

For and on behalf of the Board of Directors

Harish Textile Engineers Limited

Sandeep Gandhi	**Sunil Bhirud**
Managing Director	**Executive Director**
DIN: 00941665	**DIN: 03469816**

Date: 30th May, 2026
Place: Mumbai

ANNEXURE II

CS DIPALI VORA
(Practicing Company Secretary)
102, New Kamal Kunj, Daulat Nagar, Road No.:09, Borivali East, Mumbai- 400066
Contact: Office No. 8080616428, Email: dnvoraandassociates@yahoo.com

HARISH TEXTILE ENGINEERS LIMITED

SECRETARIAL AUDIT REPORT

OF

HARISH TEXTILE ENGINEERS LIMITED

FOR THE YEAR ENDED ON 31ST MARCH, 2026

AUDITED BY
CS DIPALI VORA
PRACTISING COMPANY SECRETARY
102, NEW KAMAL KUNJ, DAULAT NAGAR,
ROAD NO.: 09, BORIVALI (EAST),
MUMBAI- 400066
PHONE: +91 8080616428
Email: dnvoraandassociates@yahoo.com

HARISH TEXTILE ENGINEERS LIMITED

SECRETARIAL AUDIT REPORT

Form No. MR-3

For The Financial Year Ended 31st March, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Harish Textile Engineers Limited
CIN: L29119MH2010PLC201521
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Harish Textile Engineers Limited** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluation of the corporate conducts / statutory compliances and expressing my opinion thereon.

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

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

a. The Companies Act, 2013 ('the Act') and the rules made thereunder;

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

c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

d. 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; **(Not applicable to the Company during the Audit Period)**;

e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

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

  iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**

  iv. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**

  v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**;**

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

  vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**

  viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period);** and

  ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f. As informed and certified by the management of the Company, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section / industry.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS – 1 and SS – 2) issued by the Institute of Company Secretaries of India.

HARISH TEXTILE ENGINEERS LIMITED

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

A. In respect of compliances falling under The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR):
   a. *The Company has delayed in filing Audited Financial Results for the Quarter & Year ended on 31st March, 2025.*
   b. *The Company has delayed in filing Disclosure of Related Party Transactions for the Quarter & Year ended on 31st March, 2025.*
   c. *It is observed that the Company has defaulted in the repayment of principal and/or interest obligations on its unlisted debentures*
   d. *The Company has made payment of annual Listing Fee for the year 2025-2026 after the due date;*
   e. *The Company has made payment of annual charges for the year 2025-2026 to the Depositories after the respective due dates;*

During the period under review, the following observations are made which may have a bearing on the Company's compliance, governance, and operations under applicable laws, rules, regulations, and standards:

a. *During the year, the Company received Demand-cum Show Cause Notice from the Office of the Assistant Commissioner of Customs, Air Cargo Complex, Mumbai in relation to customs/export matters and calling upon the Company to appear for personal hearing. The personal hearing has been conducted and further communication/order from the concerned authority is awaited.*

b. *During the previous financial year, the Company had received an arbitration award and execution proceedings in relation to dues claimed by M/s. Ramdev Resins Private Limited aggregating to Rs. 28,20,230/- including interest. During the current year, the Company settled the matter through payment of Rs. 28,41,111/- towards full and final settlement pursuant to MSME/execution proceedings before the Hon'ble High Court of Bombay and the matter stands resolved and closed.*

c. *The Company received a Statement of Claim from M/s. Deep Industries before the Hon'ble MSEFC, Ahmedabad in continuation of arbitration proceedings under the MSMED Act, 2006 alleging delayed payment and claiming aggregate dues of Rs. 97,59,128/- including interest. The matter is under review with the Company's legal advisors and the proceedings are ongoing.*

d. *During the year, the Company received e-filing intimation from the Hon'ble National Company Law Tribunal (NCLT), Mumbai in relation to a petition filed by M/s. Kamlesh Corporation concerning alleged outstanding dues payable by the Company. Subsequently, various hearings and* *adjournments took place before the Hon'ble NCLT. The proceedings are presently pending before the Hon'ble NCLT, Mumbai.*

e. *During the year, the Company received legal notice from M/s. Marudhar Refractories alleging outstanding dues together with interest and legal charges. Subsequently, Notice for Pre-Institution Mediation proceedings before the Mediation Centre, Vapi was also received by the Company. Thereafter, the matter was amicably resolved and settled between the parties and payment of Rs. 1,05,653/- was made by the Company towards full and final settlement. Accordingly, the matter stands resolved and closed.*

f. *During the year, delays were observed in repayment/redemption of the Company's 7% Unlisted, Secured, Redeemable, Non-Convertible Debentures ("NCDs"), including Old Series-III Debentures aggregating to Rs. 64,72,000/- and Series-IV Debentures aggregating to Rs. 1,46,78,900/-, together with non-payment of accrued interest thereon. Further, Axis Trustee Services Limited, acting as Debenture Trustee, issued a Notice of Event of Default in relation to aggregate dues payable to Old Series-III and New Series-IV Debenture Holders. The Company is in discussions with debenture holders and the Debenture Trustee for settlement/resolution of the matter and the matter is ongoing.*

g. *During the year, the Company received Notice for Scrutiny of Returns in Form GST ASMT-10 dated 13th January, 2026 from the Office of the Deputy Commissioner of State Tax, Ambad, Nashik, Maharashtra under Section 61 of the CGST/SGST Act, 2017 in relation to GST liability for FY 2023-24 involving alleged discrepancies aggregating to approximately Rs. 26,72,121.72 (Rupees Twenty Six Lakhs Seventy Two Thousand One Hundred Twenty One and Paise Seventy Two only). The Company had submitted its reply to the authority, further action/hearing is awaited.*

h. *During the year, the Company received notice dated 30th March, 2026 under Section 148A(1) of the Income-tax Act, 1961 from the Office of the Assistant Commissioner of Income Tax, Circle 2(1)(1), Mumbai in relation to Assessment Year 2021-22 seeking details and explanations as to why proceedings under Section 148 of the Income-tax Act, 1961 should not be initiated for alleged income escaping assessment. The Company had submitted its reply to the authority, further action/hearing is awaited.*

i. *During the year, the Company received Notice for Pre-Institution Mediation from the Mediation Centre, Mumbai District Legal Services Authority, City Civil & Sessions Court, Dindoshi, Mumbai in the matter filed by M/s. Steel-O-Fab Engineers alleging outstanding dues aggregating to Rs. 15,01,295/-. The Company and its Directors were directed to appear before the Mediation Centre through authorised representative/counsel and the matter is presently under mediation proceedings.*

I further report that

CS DIPALI VORA

(Practicing Company Secretary)

102, New Kamal Kunj, Daulat Nagar, Road No.:09, Borivali East, Mumbai- 400066
Contact: Office No. 8080616428, Email: dnvoraandassociates@yahoo.com

HARISH TEXTILE ENGINEERS LIMITED

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

Further the following changes were made in the composition of the Board:

Sr. No.	Name of the Director	Designation	Nature of Change	Date of Change
01	Ashwini Ramakant Gupta	Independent Director	Appointment	10/06/2025
02	Mahesh Ratilal Sapariya	Director	Cessation	14/11/2025
03	Ritesh Harshad Patel	Director	Cessation	10/06/2025

Adequate notices were given to all directors and members for convening the Board and Committee Meetings respectively; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All decisions at Board Meetings and Committee Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees 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 further report that during the audit period there was no specific event or action in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

102, New Kamal Kunj, Daulat Nagar, Road No.:09, Borivali East, Mumbai- 400066
Contact: Office No. 8080616428, Email: dnvoraandassociates@yahoo.com

HARISH TEXTILE ENGINEERS LIMITED

For D N Vora & Associates,
Practicing Company Secretary

Dipali Natvar Vora
Proprietor
M. No: 46989; C. P. No. 21254
Peer Review No: 4158/2023
UDIN: A046989H000554452

Date: 30.05.2026
Place: Mumbai

Note: you can verify UDIN on the link ***https://stimulate.icsi.edu/udin/Home/UDINVerification***

Notes:

1. *This report is to be read with my letter of even date which is annexed as Annexure-I and forms an integral part of this report.*

HARISH TEXTILE ENGINEERS LIMITED

Annexure-I

To,
The Members,
Harish Textile Engineers Limited
CIN: L29119MH2010PLC201521
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069

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

1. Maintenance of secretarial records is 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me 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 regulations and happening of events etc.

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

6. The Secretarial Audit Report 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.

CS DIPALI VORA

(Practicing Company Secretary)

102, New Kamal Kunj, Daulat Nagar, Road No.:09, Borivali East, Mumbai- 400066
Contact: Office No. 8080616428, Email: dnvoraandassociates@yahoo.com

HARISH TEXTILE ENGINEERS LIMITED

For D N Vora & Associates,
Practicing Company Secretary

Dipali Natvar Vora
Proprietor
M. No: 46989; C. P. No. 21254
Peer Review No: 4158/2023
UDIN: A046989H000554452

Date: 30.05.2026
Place: Mumbai

Note: you can verify UDIN on the link **https://stimulate.icsi.edu/udin/Home/UDINVerification**

<u>**ANNEXURE III**</u>

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered 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 thereto.

Details of contracts or arrangements or transactions not at Arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts / arrangements / transactions	Date (s) of approval by the Board	Amount paid as advanced	Date on which special resolution was passed in General meeting
-	-	-	-	-	-	-	-	-

Details of material contracts or arrangements or transactions at Arm's length basis:

Sr. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value, if any	Date(s) of approval by the Board / Audit Committee	Amount (in Lakhs)
1	Harish Enterprise Private Limited Company with common Directors	Rent Expenses	5 Years	Factory Building taken on rent for the period of 5 years ending on 30.06.2026 at Umbergaon	30.06.2021	12.00
2	Everys Healthcare Private Limited Company with common Directors	Interest Income	NA	NA	12.04.2019	6.86
3	Everys Healthcare Private Limited	Receipt of Advance	NA	NA	12.04.2019	63.97
4	Sandeep Gandhi Managing	Remuneration Paid	5 Years	NA	29.09.2023	167.34

	Director					
5	Sunil Bhirud Whole time Director	Remuneration Paid	5 Years	NA	27.03.2025	27.06
6	Shaila Gandhi Relative of Managing Director	Professional Fees paid	5 Years	NA	07.03.2024	30.00
7	Shovan Gandhi Relative of Managing Director	Remuneration paid	5 Years	NA	22.09.2020	26.40
8	Pacific Harish Industries Limited (Financial liability- Reliance Loan) Company with common Directors	Repayment of Loan	7 Years	NA	12.04.2019	147.10
9	Nfinia Industries Private Limited	Repayment of Loan	As per Agreement	NA	04.08.2022	125.59
10	Climbers Corner Private Limited.	Staff Welfare Expense	NA	NA	21.11.2025	8.10
11	Agratha Enterprise	Receivable for Land	As per Agreement	NA	29.04.2025	650.00
12	Sandeep Gandhi	Loan Received	As per Agreement	NA		355.00

For and on behalf of the Board of Directors

Harish Textile Engineers Limited

Sandeep Gandhi
Managing Director
DIN: 00941665

Sunil Bhirud
Executive Director
DIN: 03469816

Date: 30th May 2026
Place: Mumbai

ANNEXURE IV

PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Executive Directors	Ratio to Median Remuneration
Sandeep Gandhi	9.72
Sunil Bhirud	1.57

(b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	% Increase in remuneration
Mr. Sandeep Gandhi	2.95%
Mr. Sunil Bhirud	NA
Mr. Pinkesh Upadhyay	NIL
Ms. Priya Gupta	19.79%

(c) The percentage increase in the median remuneration of employees in the financial year; About 11.55%

Note: Percentage in bracket represents negative percentage.

(d) The number of permanent employees on the rolls of Company; 123

(e) The explanation on the relationship between average increase in remuneration and Company performance;

On an average, employees received an increase of 11%. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is linked to organization performance.

(f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;

Particulars	Rs. In lakhs
Remuneration of Key Managerial Personnel (KMP) during financial year 2025-2026 (aggregated)	220.33
Revenue from operations	13,849.17
Remuneration (as % of revenue)	1.59%
Profit before tax (PBT)	738.02
Remuneration (as % of PBT)	29.85%

(g) variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;

		As at	As at	
Particulars	**Unit**	**31st March, 2026**	**31st March, 2025**	**Variation %**
Closing rate of share at BSE	Rs.	63.99	71.2	(10.13%)
Closing rate of share at NSE	Rs.	NA	NA	NA
EPS (consolidated)	Rs.	16.64	0.56	2971.42%
Market capitalization	Rs./Lakhs	2134.71	2375.23	(10.13%)
BSE		2134.71	2375.23	(10.13%)
NSE		NA	NA	NA
Price Earnings Ratio	Ratio			
BSE		3.85	127.14	(96.98%)
NSE		NA	NA	

(h) Average percentile increase already made in the salaries of employees other than the managerial 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;

The average increase in salaries of employees other than managerial personnel in 2025-2026 was 11.55%. Percentage increase in the managerial remuneration for the year was 17.65%.

(i) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company;

Particulars	**Chief Executive Officer**	**Chief Financial Officer**	**Company Secretary**
	Rs. /Lac		
Remuneration	-	18.00	7.93
Revenue from operations	-	13849.17	13849.17
Remuneration (as % of revenue)	-	0.13%	0.06%
Profit before Tax (PBT)	-	738.02	738.02
Remuneration (as % of PBT)	-	2.55%	1.07%

(j) The key parameters for any variable component of remuneration availed by the directors;

No Variable Component in the Remuneration availed by Directors

(k) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

Not applicable.

(l) Affirmation that the remuneration is as per the remuneration policy of the Company

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

(2)The statement to the board's report shall include a statement showing the name of every employee of the Company-

Who-

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore two lakh rupees:- **Not Applicable to the Company**

(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh fifty thousand rupees per month:- **Not Applicable to the Company**

(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company:- **Not Applicable to the Company**

For and on behalf of the Board of Directors

Harish Textile Engineers Limited

Sandeep Gandhi	**Sunil Bhirud**
Managing Director	**Executive Director**
DIN: 00941665	**DIN: 03469816**

Date: 30th May, 2026
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Harish Textile Engineers Limited.
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial Statements of Harish Textile Engineers Limited ("the Company") which comprises the Balance Sheet as at 31st March, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Qualified Opinion

a. We draw attention to Note 19 to the financial statements, which describes extensions of timelines/ defaults in repayment of debenture obligations/the Event of Default for redemption of debenture.

   The Company has failed to meet its redemption payment obligation on its 7% Unlisted, Secured, Unrated, Redeemable, Non-Convertible Debentures ("NCDs") - Old Series-III and New Series-IV, which were due for redemption on October 07, 2025 and December 20, 2025 respectively. The principal amount due was INR 64.72 Lakhs in respect of Old Series-III and INR 146.79 Lakhs in respect of New Series-IV and the interest due from April 01, 2025 to March 31, 2026 was INR 12.58 Lakhs. Subsequently, the Company has paid interest amounting to INR 9.28 Lakhs in the month of April 2026.

   The Company has received a Notice of "Event of Default" dated November 11, 2025 from Debenture Trustee, Axis Trustee Services Limited. The Debenture Trustee has notified the Company of its intent to initiate enforcement proceedings. Further, the Debenture Trustee has called upon the Company to repay aggregate dues amounting to INR 211.51 Lakhs plus interest till December 31, 2025, payable to the Old Series III and New Series IV Debenture Holders.

   The financial statements have not been adjusted to reflect the full impact of this breach, and in the absence of a complete assessment by the Management, we are unable to quantify the consequential impact on the financial position of the Company.

b. We have not been able to validate the computation of interest liability provided of Rs 64.48 lakhs in the financial statement for the MSME vendors under the MSMED Act, in the absence of adequate audit evidence to establish the amounts payable to the vendors on account of interest on their outstanding dues. As a result, we are unable to quantify the consequential impact on the financial position of the Company.

c. The Company has not quantified the impact of non-reversal of input tax credit pertaining to suppliers unpaid beyond 180 days as required under Section 16(2) of the CGST Act, 2017 read with Rule 37 of the CGST Rules. In the absence of such quantification, we are unable to determine the extent of overstatement of input tax credit and understatement of statutory liabilities and related interest, if any.

Our audit opinion on the financial statements for the year ended 31st March 2026 is qualified in respect of the aforesaid matters.

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

Material Uncertainty Related to Going Concern

We draw attention to the following matter:

a. Note 19 to the financial statements, regarding extensions of timelines/defaults in repayment of debenture obligations/Notice of “Event of Default” received from Debenture Trustee, arising out of liquidity crunch faced by the Company. We further draw your attention to the fact that the net working capital of the Company is negative at the end of year ended March 31, 2026. The current liabilities (including short term borrowings) amounted to INR 6430.61 Lakhs. The current assets amounted to INR 4781.36 Lakhs. The net negative working capital has amounted to INR 1649.25 Lakhs.

In view of the above, the Company’s ability to continue as a going concern is dependent upon successful renewal/continuation of the aforesaid credit facilities, raising of additional funds, continued support from lenders, debenture holders and creditors, and generation of adequate cash flows from operations to meet its obligations as they fall due. Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw attention to the following matters. Our opinion is not modified in respect of these matters:

a. Note 42 A (1) of notes to the financial statement year ended March 31, 2026, which states that "the Company has received notice on 14th May 2022 from Shree Nikhil H Gandhi, Smt. Chhaya N. Gandhi and Smt. Kumudben H. Gandhi, claiming to be Shareholders of Pacific Harish Industries Limited ("PHIL"), that they have filed a company petition with Hon. NCLT, Mumbai Bench, inter-alia contending that the business of Non-Woven and PSF transferred to the Company by PHIL by way of Slump-sale w.e.f. April 01, 2019 was without obtaining the approval of Shareholders of PHIL and hence such transfer is invalid. The Company is taking appropriate legal recourse to protect its interest. Vide order dated 09th June, 2023, Hon. Bombay High Court has instructed parties to maintain Status quo and subsequently, Hon. NCLT as well vide its order dated 14th June, 2023 has stayed the further proceedings till the pendency of the Hon. High Court order. Subsequently, the Hon'ble High Court of Bombay vide order dated July 04, 2025 has disposed of the interim application seeking stay on the impugned order. The Impugned order restrains the appellants from the proceedings with the matter filed before the Hon'ble NCLT, Mumbai."

b. Note 42 A (2) of notes to the financial statement year ended March 31, 2026, which states that "the Term Loan and other Credit facilities from Bank of India are, inter-alia secured by Corporate Guarantee and mortgage of properties of Kasha Textile Private Limited (KTPL). One of the Shareholders of KTPL has claimed that the said corporate guarantee and security were given by KTPL without obtaining consent of Shareholders as is required in terms of section 186 of Companies Act, 2013. The company is taking appropriate legal recourse to protect its interest."

c. Note 19 of notes to the financial statement year ended March 31, 2026, wherein the Company has recognised a provision for managerial remuneration amounting to INR 97.20 lakhs for the period October 2025 to March 2026. The Company is in default in repayment of dues to debenture holders during the said period and as at the reporting date. As explained in the said note, no payment of such remuneration has been made and the same shall be considered only after the default is regularised and subject to compliance with the provisions of Section 197 of the Companies Act, 2013 and other applicable approvals, where required.

d. Note 4.3 and note 5 to the financial statements regarding property, plant and equipment capitalised by the Company for use at a leased premises. The lease agreement is scheduled to expire on 30 June 2026 and, up to the date of our audit report, no renewal, extension or modification of the lease agreement has been executed. Accordingly, the continued use and recoverability of such assets are dependent upon renewal of lease agreement.

e. Note 19 to the financial statements states that the Company's working capital facilities from the one of bank is Rs. 600.00 Lakhs as at March 31, 2026. The Company has provided an email communication from the Branch Manager confirming renewal of the Cash Credit facility up to March 25, 2026. No formal sanction extending the facility beyond March 25, 2026 had been issued by the bank up to the date of our audit report. However, the facility has continued to be operated by the Company subsequent to March 25, 2026 and the bank has continued to honour transactions in the account in the normal course of business.

f. The Company is not regular in compliance with depositing statutory dues including Income Tax/Tax Deducted at Source/Professional Taxes/Gratuity/ESIC and GST with appropriate authority.

Our conclusions are not modified in respect of these matters.

Report on Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response To Key Audit Matter
Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in respect of "Revenue from contracts with Customers" under Ind AS 115.:	
The Company recognises revenue from the sales of products when control over goods is transferred to the customer based on specific terms and conditions of sale contracts with respective customers. We have identified revenue recognition on sale of products during the year as a key audit matter as revenue is a key performance indicator and there is a risk that revenue can be misstated or recognised before transfer of control.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: - Assessed the appropriateness of the policies in respect of revenue recognition by comparing with applicable accounting standards. - Performed substantive testing (including year-end cut-off testing) of recognition of revenue in the correct period by selecting statistical samples of revenue transactions recorded during and at the end of the financial year. - Examined the underlying documents such as sales invoices/ contracts and dispatch/ shipping documents for the selected transactions based on terms of trade. - Assessed manual journals posted in revenue ledger to identify any unusual items. - Evaluated the adequacy of the disclosures made in the standalone financial statements.
Impairment of Trade Receivables:	
Impairment of financial assets is accounted through allowance for Expected Credit Losses (ECL) under Ind AS 109. The assumptions used for estimating the expected credit loss in respect of these balances	Our procedures in respect of recoverability of trade receivables and contract assets included the following: Evaluated the design and tested the operating

is an area which is influenced by Management's judgment. The calculation of the impairment allowance under ECL method is highly judgemental as it requires Management to assess the estimated credit losses in respect of trade receivables based on credit risk profile of customers, past collection experience, ongoing litigations and disputes, if any, economic and market conditions and applicable forward-looking estimates. Considering such assessment, management uses a provision matrix to recognise impairment for expected credit losses in respect of trade receivables. Given the relative significance of these balances to the financial statements, Management judgement and uncertainties involved as well as the nature and extent of audit procedures performed to assess the recoverability of trade receivables, we determined this to be a key audit matter.	effectiveness of key internal financial controls over Management's assessment of recoverability of trade receivables. For selected samples of contracts - Obtained an understanding from Management the related contractual terms, collection experience, basis of Management's assessment of collectability, and expected realisation plan. - Performed test of details over key contract terms, correspondence with customers and subsequent settlements/ collections, where relevant. - Tested the ageing of trade receivables at the year end. Assessed the information used by the Management to determine the expected credit losses by considering credit risk profile of the customer, contractual terms, past collection experience, uncertainties and delays in recoveries, subsequent realisation, correspondence with the customers, ongoing litigations and disputes, if any. Reviewed the key assumptions and data sources used by Management in the provision matrix model to calculate the probability of default and estimate the expected credit losses in respect of trade receivables. Assessed the adequacy of presentation and related disclosures in the financial statements are in line with the accounting standards and Schedule III.
Borrowings from financial institutions and Banks:	
The Company has significant borrowings from various financial institutions and banks, including both short-term and long-term facilities. The accounting for borrowings requires careful evaluation of the classification between current and non-current portions, compliance with covenants, and accuracy in interest expense recognition. Given the materiality of the borrowings in the financial statements and the complexities involved in their accounting, disclosure, and compliance aspects, we considered this as a key audit matter.	Our audit procedures included, among others: - Reviewing loan sanction letter and other supporting documents to assess the classification and measurement of borrowings; - Evaluating management's assessment of compliance with debt covenants and verifying supporting calculations; - Testing the arithmetical accuracy and appropriateness of interest expense recognition; - Verifying disclosures made in the financial statements as per the applicable accounting standards (e.g., Ind AS 107 and Ind AS 109,

	where applicable); - Obtaining direct confirmations from lenders and reconciling them with the books of accounts; - Assessing the adequacy of related disclosures in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon ('Other Information')

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the financial Statements

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

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

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

Auditor's Responsibilities for the Audit of financial statement

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

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 except for the matter described in Paragraph C of the Emphasis of Matter section of this report.

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 financial statements as referred to in Note 42 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026;

iv.

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

b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

v. The company has not declared or paid any divided during the current year.

vi. Based on our examination, which included test checks, the Company has maintained its books of account using accounting software that has the feature of recording an audit trail (edit log) facility. However, the said feature was not enabled during the year by the Company.

For **K. M. Swadia and Company**
Chartered Accountants
(Firm's Registration No. 110740W)

Pravin Panchiwala
Partner
(Membership No. 127406)
UDIN: 26127406PRNEHZ6656

Place: Vadodara
Date: May 30, 2026

ANNEXURE – A

To The Independent Auditor's Report of Harish Textile Engineers Limited.

(Referred to in paragraph 1 under "Report on the Other Legal and Regulatory Requirements' section of our report of even date)

i.

a. A. The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

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

b. The Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

c. Based on the information and explanations furnished to us, the title deeds of all the immovable properties (other than where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. However, the title deed of the following property is not held on record.

Description of property	Gross carrying value as at March 31, 2026
Flat No. 506, Takshsila Apartment, Majura Gate, Surat.	10.85 Lakhs

d. Based on the information and explanations furnished to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

e. According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii.

a. The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. In respect of inventories of stores and spares, the Management has a verification programme designed to cover the item over a period of three years. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

b. During any point of time of the year, the Company has been sanctioned working capital limits in excess of INR 5 crores, in aggregate from Banks or financial institutions, on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks and financial institutions, which are in agreement with the audited books of account other than those as set out below.

INR in Lakhs

Name of Bank & working capital limits sanctioned	Nature of current asset offered as Security	Quarter ended	Amount disclosed as per Quarterly return /Statement	Amount as per books of account	Difference	Reasons for difference
Name of bank: Bank of India Limit: 1500	Receivable and Stock (net of trade payable).	June 30, 2025	2037.45	2047.29	-9.84	Refer note no. 47 to the Financial Statement.
		September 30, 2025	2124.44	2157.48	-33.04	
		December 31, 2025	2263.05	2272.24	-9.19	
		March 31, 2026	2396.24	2431.42	-35.18	
Name of bank: Union Bank of India Limit: 600	Receivable and Stock.	June 30, 2025	978.96	1339.31	-360.35	Refer note no. 47 to the Financial Statement.
		September 30, 2025	991.92	1589.63	-597.71	
		December 31, 2025	1144.74	1385.59	-240.85	
		March 31, 2026	1150.22	1250.77	-100.55	

iii. a. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liabilities Partnerships or other parties covered in the register maintained under section 189 of the Act except the following parties.

INR in Lakhs

Particulars	Loans	Terms of repayment	Rate of interest
Everys Health Care Private Limited.	63.98	Repayable on demand	12%
KMP but not director or relative of any directors	5.62	Repayable on demand	Interest free

b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loan during the year is not prejudicial to the interest of the Company except for loan granted to KMP as stated in clause iii (a) above.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal is on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

e. According to the information and explanations provided to us, there were no loans or advance in the nature of loan granted which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loan given to the same parties.

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Particulars	Loans INR in Lakhs
Aggregate of loans	
- Repayable on demand (A)	69.60
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	69.60

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made during the year, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed there under and therefore, reporting under clause 3(V) of the order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view 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 not regular in depositing undisputed statutory dues, including employees' provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, professional tax and other material statutory dues, as applicable, with the appropriate authorities. There are no such outstanding dues as at the year end for a period of more than six month from the date they became payable except the following:

INR in Lakhs

Name of Statute	Nature of Dues	Period to which the Amount Relates	Amount Unpaid
Income Tax Act 1961	Tax Deducted at Source	April 2019- March 2024	16.43
Income Tax Act, 1961	Tax Deducted at Source	April 2025-March 2026	32.37
Goods and service tax	The Company has not quantified the impact of non-reversal of input tax credit pertaining to suppliers unpaid beyond 180 days as required under Section 16(2) of the CGST Act, 2017 read with Rule 37 of the CGST Rules. In the absence of such quantification, we are unable to determine the extent of overstatement of input tax credit and understatement of statutory liabilities and related interest, if any.		

b. According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix.

a. According to the records of the Company examined by us and based on the information and explanations provided to us, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest to any lender during the year, except for the following delays/defaults in the redemption of debentures and payment of interest:

(INR in Lakhs)

Series of Debentures	**Scheduled Date of Redemption**	**Extended Date of Redemption**	**Further Extended Date of Redemption**	**Further Extended Date of Redemption**	**Total Debenture Outstanding as on 31.03.2026**	**Amount in Default**
Old Series- III	13th August, 2024	12th February, 2025	12th May, 2025	7th October, 2025*	64.72	64.72
New Series- IV	20th September, 2025	NA	20th December, 2025	20th December, 2025*	146.79	146.79

Interest on Old Series- III and series - IV	NA	NA	NA	NA	12.58	3.30

Refer note no. 19 to the financial statement for the details.

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 wilful defaulter by any bank or financial institution or government or any government authority.

c. In our opinion, and according to the information and explanations given to us, during the year, the term loans have been applied for the purposes for which they were obtained.

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that during the year, no funds raised on short-term basis have been used for long-term purposes by the Company.

e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries, associates and joint ventures. Hence, the said clause is not applicable.

f. According to the information and explanations given to us and procedures performed by us, we report that that the Company does not have any subsidiaries, associates and joint ventures. Hence, the said clause is not applicable.

x.

a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b. The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi.

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

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

c. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented by the management, no whistle-blower complaints were received by the Company during the year. Accordingly, the reporting requirements under Clause 3(xi)(c) of the Order are not applicable.

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

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv.

a. In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

b. The reports of the Internal Auditor for the period under audit have been considered by us.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, 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 accordingly, the requirement to report clause 3(xv) of the Order is not applicable to the Company.

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

xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 19/48 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

We draw the attention to note "19" to the financial statements pertaining to default/delay in the redemption of Debentures. The Company believes that it will be able to conclude the

K M Swadia
& Company
Chartered Accountants

negotiations with debenture holders for settlement of their dues and will have continued support from lenders/vendors and generation of cash flow from operations that will enable it to settle its liabilities as they fall due.

xx. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the provisions of Corporate Social Responsibility of the Companies Act, 2013 are not applicable to the Company. Accordingly, the reporting under clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **K. M. Swadia and Company**
Chartered Accountants
(Firm's Registration No. 110740W)

Pravin Panchiwala
Partner
(Membership No. 127406)
UDIN: 26127406PRNEHZ6656

Place: Vadodara
Date: May 30, 2026

ANNEXURE – B

To The Independent Auditor's Report of Harish Textile Engineers Limited.

Referred to in paragraph 2(f) under "Report on the Other Legal and Regulatory Requirements' section of our report of even date. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Harish Textile Engineers Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

1. Management's Responsibility for Internal Financial Controls

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

2. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 with reference to financial statement of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

3. Meaning of Internal Financial Controls with reference to financial statements.

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

4. 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.

5. 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 internal financial controls with reference to Financial Statements of the Company and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **K. M. Swadia and Company**
Chartered Accountants
(Firm's Registration No. 110740W)

Pravin Panchiwala
Partner
(Membership No. 127406)
UDIN: 26127406PRNEHZ6656

Place: Vadodara
Date: May 30, 2026

HARISH TEXTILE ENGINEERS LIMITED
CIN: L29119MH2010PLC201521
Balance Sheet as at 31st March 2026

(Rupees in Lakhs)

Particulars	Note	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	**4**	2,036.12	2,766.53
Right-of-use assets	**5**	-	23.29
Capital Work-in-Progress	**6**	170.35	86.41
Intangible Assets	**7**	9.84	11.11
Intangible Assets under Development	**8**	-	1.60
Financial assets			
Other financial assets	**9**	389.65	297.14
Other assets	**10**	655.99	107.84
Current assets			
Inventories	**11**	1,353.59	1,334.73
Financial assets			
Loans	**12**	111.95	95.13
Trade receivables	**13**	2,916.60	2,641.59
Cash and cash equivalents	**14**	73.44	9.11
Other bank balances	**15**	16.26	3.64
Current Tax Assets (Net)	**16**	-	-
Other assets	**10**	309.52	241.60
Total Assets		**8,043.32**	**7,619.74**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	**17**	333.60	333.60
Other equity	**18**	1,110.28	555.30
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	**19**	35.60	119.48
Lease liabilties	**20**	-	-
Other Financial liabilities	**21**	-	9.24
Provisions	**22**	107.83	80.75
Deferred tax liabilities (Net)	**23**	25.40	56.32
Current liabilities			
Financial liabilities			
Borrowings	**19**	2,989.19	3,037.27
Lease liabilties	**20**	-	11.35
Trade payables	**24**		
Due to micro enterprises and small enterprises		712.22	417.79
Due to others		1,586.65	1,867.84
Other financial liabilities	**21**	292.31	127.64
Provisions	**22**	8.95	6.90
Other current liabilities	**25**	711.90	990.65
Current Tax liabilities (Net)	**26**	129.40	5.61
Total Equity and Liabilities		**8,043.32**	**7,619.74**
Corporate information and summary of material accounting policy information	**1-3**		
Contingent liabilities and commitments	**42**		
Other notes to accounts	**4 to 41, 43 to 49**		

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

As per our report of even date
For K M Swadia & Co.
Chartered Accountants
ICAI Firm Registration No. 110740W

For and on behalf of the Board of Directors of
HARISH TEXTILE ENGINEERS LIMITED
CIN:L29119MH2010PLC201521

Pravin Panchiwala
Partner
Membership No. 127406

Sandeep Gandhi
DIN : 00941665
Managing Director

Sunil Bhirud Narayan
DIN :03469816
Executive Director

Priya Gupta
Company Secretary and Compliance officer

Pinkesh Upadhyay
Chief Financial Officer

Place : Vadodara
Date : 30/05/2026

Place : Mumbai
Date : 30/05/2026

HARISH TEXTILE ENGINEERS LIMITED
CIN: L29119MH2010PLC201521
Statement of Profit and Loss for the year ended on 31st March 2026

(Rupees in Lakhs)

Particulars	Note	Year ended 31st March 2026	Year ended 31st March 2025
Revenue			
Revenue from operations	27	13849.17	13202.74
Other income	28	34.42	57.22
Total Income		**13,883.59**	**13,259.96**
Expenses			
Cost of materials consumed	29	8259.17	8220.81
Changes in inventories	30	31.32	216.24
Employee benefits expenses	31	1297.38	1163.01
Finance costs	32	391.45	395.78
Depreciation, amortization & impairment of assets	4,5 & 7	174.66	167.94
Other expenses	33	2991.59	3080.62
Total Expenses		**13,145.57**	**13,244.40**
Profit Before Tax for the year		**738.02**	**15.57**
Tax expense:			
Current tax	34	215.54	16.43
Adjustment for earlier tax expense	34	-	12.43
Deferred tax	34	(31.32)	(36.84)
Profit for the year		**553.80**	**23.55**
Other comprehensive income		**-**	-
Items that will not be reclassified to profit or loss in subsequent period			
a. Remeasurement (gain)/ loss on defined benefit plans		(1.58)	6.32
b. Income tax related to items that will not be reclassified to profit or loss		0.40	(1.57)
Total other comprehensive income		(1.18)	4.75
Total comprehensive income for the year		**554.98**	**18.80**
Earnings per equity share of FV of Rs. 10 each	35		
Basic		16.64	0.56
Diluted		16.64	0.56
Corporate information and summary of material accounting policy information	1-3		
Contingent liabilities and commitments	42		
Other notes to accounts	4 to 41, 43 to 49		

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

As per our report of even date
For K M Swadia & Co.
Chartered Accountants
ICAI Firm Registration No. 110740W

Pravin Panchiwala
Partner
Membership No. 127406

Place : Vadodara
Date : 30/05/2026

For and on behalf of the Board of Directors of
HARISH TEXTILE ENGINEERS LIMITED
CIN:L29119MH2010PLC201521

Sandeep Gandhi
DIN : 00941665
Managing Director

Sunil Bhirud Narayan
DIN :03469816
Executive Director

Priya Gupta
Company Secretary and Compliance officer

Pinkesh Upadhyay
Chief Finanical Officer

Place : Mumbai
Date : 30/05/2026

HARISH TEXTILE ENGINEERS LIMITED

CIN: L29119MH2010PLC201521

Statement of Change in Equity (SOCIE) for the year ending 31st March 2026

(a) Equity share capital

Equity share capital	As at 31st March 2026	As at 31st March 2025
	Amount	Amount
Balance at the beginning of the reporting period	333.60	333.60
Additions/(Reductions)	-	-
Balance at the end of the reporting period	**333.60**	**333.60**

(b) Other equity

Other equity	Reserves and Surplus Retained earings
Balance as at March 31, 2024	**536.49**
Add: Loss during the Period	23.55
Less : Re-measurement gains / (losses) on defined benefit plans	(4.75)
Balance as at March 31, 2025	**555.30**
Add: Profit during the Period	553.80
Less : Re-measurement gains / (losses) on defined benefit plans	1.18
Balance as at March 31, 2026	**1,110.28**

Corporate information and summary of material accounting policy information	1-3
Contingent liabilities and commitments	42
Other notes to accounts	4 to 41, 43 to 49

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

As per our report of even date
For K M Swadia & Co.
Chartered Accountants
ICAI Firm Registration No. 110740W

For and on behalf of the Board of Directors of
HARISH TEXTILE ENGINEERS LIMITED
CIN:L29119MH2010PLC20

Pravin Panchiwala
Partner
Membership No. 127406

Sandeep Gandhi
DIN : 00941665
Managing Director

Sunil Bhirud Narayan
DIN :03469816
Executive Director

Priya Gupta
Company Secretary and Compliance officer

Pinkesh Upadhyay
Chief Financial Officer

Place : Vadodara
Date : 30/05/2026

Place : Mumbai
Date : 30/05/2026

HARISH TEXTILE ENGINEERS LIMITED

CIN: L29119MH2010PLC201521

Statement of Cash Flow For the Year ended 31st March, 2026

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
A) Cash Flow from Operating activities		
Profit before tax	738.02	15.57
Adjustments for:		
Depreciation and Amaotisation	174.66	167.94
(Profit)/ Loss on sale of Fixed Assets	(1.83)	(11.42)
Sundry bal w.back	-	(0.48)
Sundry Balance w/off	128.66	117.19
Provision for expected credit loss	(70.30)	34.56
Gratuity Provision	34.86	12.58
Interest Income	(24.90)	(23.00)
Interest Paid	391.45	395.78
Operating Profit before Working Capital Changes	**1,370.62**	**708.72**
Adjustments for changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(332.22)	(559.08)
(Increase)/Decrease in Other - Non Current Assets	101.86	(12.31)
(Increase)/Decrease in Non Current financial assets	(92.51)	(16.53)
(Increase)/Decrease in Other Current Assets	(63.91)	261.59
(Increase)/Decrease in Loans	(16.82)	(72.00)
(Increase)/Decrease in Other Current financial assets	-	205.54
(Increase)/Decrease in Inventories	(18.87)	267.30
Changes in Trade and Other Receivables	**(422.47)**	**74.51**
Increase/(Decrease) in Trade Payables	13.23	217.17
Increase/(Decrease) in Other current Liabilities	(278.75)	43.50
Increase/(Decrease) in Provisions	(7.72)	(6.60)
Increase/(Decrease) in Other Current financial Liabilities	164.67	42.22
Increase/(Decrease) in Other financial Liabilities	(9.24)	-
Changes in Trade and Other Payables	**(117.81)**	**296.29**
Cash Generated from Operations	**830.34**	**1,079.52**
Income tax paid (Net of refunds)	91.75	12.98
Net Cash from Operating Activities	**738.58**	**1,066.54**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of Assets	8.91	13.72
Purchase of PPE, Intangible Assets, WIP and Capital Advances	(160.69)	(276.40)
Interest Received	24.90	23.00
Net Cash used in Investing Activities	**(126.88)**	**(239.68)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term borrowings (incl. current maturities of long term borrowing)	13.25	-
Repayment of Long term loans borrowings (incl. current maturities of long term borrowing)	(308.33)	(516.78)
lease liabilities	(12.00)	(12.00)
Change in Short-term borrowings	163.12	83.12
Interest Paid	(390.80)	(394.00)
Net Cash from Financing Activities	**(534.75)**	**(839.66)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**76.95**	**(12.80)**

HARISH TEXTILE ENGINEERS LIMITED

CIN: L29119MH2010PLC201521

Statement of Cash Flow For the Year ended 31st March, 2026

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Cash and Cash Equivalents at the beginning of the year	12.75	25.55
Cash and Cash Equivalents at the end of the year	89.70	12.75
Closing Cash and Cash Equivalents comprise:		
Cash in hand	22.69	3.30
Balance in Current Account	67.01	9.45
Total	**89.70**	**12.75**
Notes to Cash Flow Statement:		
Cash and Cash equivalents comprise of:		
Cash on Hands	22.69	3.30
Balance with Scheduled Banks in Current Accounts	67.01	9.45
Closing Cash and Cash Equivalents	**89.70**	**12.75**

Significant non-cash investing activity

During the year, the Company transferred agricultural land back to M/s Agratha Enterprises pursuant to MOU dated 29 April 2025 for consideration of ₹650 lakh. Since no cash consideration has been received up to the reporting date, the transaction has no impact on the Statement of Cash Flows and has been disclosed as a significant non-cash investing activity in accordance with Ind AS 7 – Statement of Cash Flows.

Corporate information and summary of material accounting policy information	1-3
Contingent liabilities and commitments	42
Other notes to accounts	4 to 41, 43 to 49

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

Notes:

Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

Property, plant and equipment, Investment property and Intangible assets are adjusted for movement of (a) Capital work-in-progress for Property, plant and equipment and (b) Intangible assets under development during the year.

Previous year figures have been regrouped wherever necessary.

As per our report of even date
For K M Swadia & Co.
Chartered Accountants
ICAI Firm Registration No. 110740W

For and on behalf of the Board of Directors of
HARISH TEXTILE ENGINEERS LIMITED
CIN:L29119MH2010PLC201521

Pravin Panchiwala
Partner
Membership No. 127406

Sandeep Gandhi
DIN : 00941665
Managing Director

Sunil Bhirud Narayan
DIN :03469816
Executive Director

Priya Gupta
Company Secretary &
Compliance officer

Pinkesh Upadhyay
Chief Financial Officer

Place : Vadodara
Date : 30/05/2026

Place : Mumbai
Date : 30/05/2026

1. Company overview

Harish Textile Engineers Limited ("Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located 2nd Floor 19, Parsi Panchayat Road, Andheri (East), Mumbai- 400069, India.

Harish Textile Engineers Limited (“the Company”) is manufacturing organization engaged in manufacturing of Textile Processing, Finishing Machineries, Non-Textile Projects and Regenerated Polyester Staple Fibre.

2. Basis of preparation

a. Statement of Compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act 2013 (the 'Act') , Companies(Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS I) from April, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of "material" rather than 'significant' accounting policies. The amendments also provide guidance on the application of it to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the financial statements

Details of the Company's accounting policies are included in Note 3.

b. Functional and presentation currency

These financial statements are presented in INR, which is the Company’s functional currency. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated.

c. Basis of measurement

The financial statements have been prepared on the historical cost convention.

d. Use of estimates and judgments

Information about assumptions and estimation uncertainties that have a material risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 4 to 8- Estimates of Useful life and residual value of Property, plant and equipment and other intangible assets
- Note 23, 26 & 34- Current / Deferred tax expense
- Note 13 – Provision for Expected credit loss on Trade receivables
- Note 42 - Provision and contingent liabilities.

3. MATERIAL ACCOUNTING POLICIES.

a. Foreign currency transaction

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the date of the transaction or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

The financial statements are presented in Indian Rupees (INR) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest Lakhs except where otherwise indicated.

b. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,

- it is due to be settled within twelve months after the reporting period, or

- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:

a) **Variable consideration** – This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a material revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

b) **Material financing component** - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a material financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

c) **Consideration payable to a customer** – Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Company.

In accordance with Ind AS 37, the Company recognizes a provision for onerous contract when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contract modifications

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the Customer.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract.

The accounting policies for the specific revenue streams of the Company as summarized below:

Sale of goods

Revenue from sale of goods is recognized when control of the goods is transferred to the customer which usually is on delivery of the goods under the terms of contract at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Sales are net of sales returns, sales tax, goods and service tax and rate difference adjustments if any.18

Service income

Revenues from services is recognized based on the services rendered in accordance with the terms of the contract and there are no uncertainties involved to its ultimate realization.

Others

Export incentives are accrued in the year when the right to receive credit is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization/ utilization of such benefits/ duty credit.

Revenue from scrap sales and other ancillary sales is recognized when the control over the goods is transferred to the customers.

d. Recognition of interest income or expense

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

Commission income is recognized on accrual basis.

e. Property, plant and equipment and Depreciation

Recognition and measurement

Property, Plant & Equipment's (PPE) comprises of Tangible assets and Capital Work in progress. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet.

The Cost of PPE comprises of its purchase price or its construction costs (net of applicable tax credit, if any), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management. It includes professional fees and, for qualifying PPE, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and material value and subsequent expenditure on PPE arising on account of capital improvement or other factors are accounted for as separate components. Critical spares of PPE having life of more than one year are capitalized as a separate component in PPE. Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Pre-Operative Expenses

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. Cost of assets not ready for intended use, as on balance sheet date is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as other non-current assets.

Depreciation

In respect of Property, Plant and Equipment, depreciation is charged on a straight line basis so as to write off the cost of the assets over the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal 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.

f. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

g. Impairment of Assets

Property, Plant and Equipment or Intangible asset is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment has to be recognised in the Statement of Profit and Loss.

An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation) had no impairment loss been recognised for the asset in prior years.

h. Impairment Financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- material financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12 month expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Twelve months expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impairment of non-financial instruments

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets on initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At present, the Company does not have investments in any debt securities classified as FVOCI.

j. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

k. Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs),as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a material discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

I. Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR), other costs incurred in connection with the borrowing of funds and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options).

m. Inventories

The inventories are valued at cost or net realizable value whichever is lower. The provision for inventory obsolescence is assessed at regular intervals and is provided as considered necessary. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formula
Raw Material	At cost on first in first out basis.
Work in Process	Raw material cost plus conversion cost, wherever applicable.
Finished Goods	Raw material cost plus conversion cost, wherever applicable.
Traded Goods	At cost on first in first out basis.

n. Taxation

Tax expense comprises of current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income

Current tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Deferred Taxes

Deferred tax is provided, using the balance sheet method, on all deductible temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and on carry forward of unused tax credits and unused tax loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company reassesses unrecognized deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax ("MAT") credit is recognised an item in deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss or Equity, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income or Equity.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

o. Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed.

p. Cash and Cash equivalent

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash, drafts and cheques in hand, bank balances, unencumbered demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. Bank overdrafts that are repayable on demand and form an integral part of the Company’s cash management are included as a component of cash and cash equivalent for the purpose of Cash Flow Statement.

q. Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed 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 amount of obligation can be estimated reliably.

Defined contribution plans

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period.

Defined Benefit Plans – Gratuity (Unfunded)

The Company operates a defined benefit gratuity plan for its eligible employees in accordance with the Payment of Gratuity Act, 1972. The plan is unfunded — the Company has neither established a separate trust nor taken a policy with an insurer, and consequently there are no plan assets. Benefits are settled out of the Company's own resources as and when they fall due.

The liability recognised in the Balance Sheet is the present value of the defined benefit obligation at the reporting date, determined by an independent actuary using the Projected Unit Credit Method. The present value of the obligation is measured by discounting the estimated future cash outflows using market yields at the reporting date on government securities having terms approximating to the terms of the related obligation.

Defined benefit costs are recognised as follows:

- **Current service cost, past service cost, and gains or losses on curtailment and settlement** are recognised in the Statement of Profit and Loss under Employee Benefits Expense.
- **Net interest** on the net defined benefit liability, computed by applying the discount rate determined at the beginning of the annual reporting period to the net defined benefit liability (adjusted for benefit payments during the period), is recognised in the Statement of Profit and Loss under Employee Benefits Expense.
- **Remeasurements**, comprising actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, are recognised in Other Comprehensive Income in the period in which they arise. Remeasurements are presented gross, with the related income tax effect disclosed as a separate line item within Other Comprehensive Income. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods and are recognised directly in Retained Earnings in the Statement of Changes in Equity. As the plan is unfunded, remeasurements do not include any return on plan assets or any effect of the asset ceiling.

Past service cost is recognised in the Statement of Profit and Loss at the earlier of the date of the plan amendment or curtailment, and the date on which the Company recognises related restructuring costs or termination benefits.

The gratuity obligation is classified as current and non-current based on the actuary's estimate of benefit payments expected to be settled within twelve months of the reporting date and thereafter.

r. Operating segments

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

s. Leases

Company as Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

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 or investment property 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.

t. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

u. Recent accounting pronouncements

Recent Pronouncements Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 applicable to the company w.e.f. April 1, 2025.

(i) In May 2025, the MCA notified amendments to Ind As 21, the amendment requires the Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information. The amendments do not have a material impact on the financial statements.

In August 2025, MCA notified the following amendments to:

(ii) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants. In the context of classifying liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has reviewed the amendment and based on its evaluation has determined that it has no impact on its financial statements.

(iii) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. During the year, the company has not entered into any supplier finance arrangements. Hence, the amendment does not have any impact on the financial statements.

(iv) Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

4 Property, Plant and Equipment- Financial Year 2025-26

(Rupees in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2025	Addition during the year	Disposal/ Adjustment	As at 31st March 2026	As at 1st April 2025	For the year	Disposal/ Adjustment	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025
Freehold land (Refer Note 4.1 and 4.2)	1,225.67	-	650.00	**575.67**	-	-	-	-	**575.67**	1,225.67
Building	257.10	-	-	**257.10**	73.03	11.02	-	84.05	**173.05**	184.07
Plant & Machinery	3,485.79	28.06	-	**3,513.85**	2,276.03	110.98	-	2,387.01	**1,126.84**	1,209.76
Computers	66.14	1.82	-	**67.95**	54.65	1.76	-	56.41	**11.54**	11.49
Furniture and fixtures	71.08	-	-	**71.08**	55.17	1.58	-	56.75	**14.33**	15.91
Vehicles	350.96	46.88	27.17	**370.67**	231.34	24.76	20.11	235.99	**134.68**	119.62
	5,456.75	**76.75**	**677.17**	**4,856.33**	**2,690.22**	**150.10**	**20.11**	**2,820.21**	**2,036.12**	**2,766.53**

Property, Plant and Equipment - Financial Year 2024-25

(Rupees in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2024	Addition during the year	Disposal/ Adjustment	As at 31st March 2025	As at 1st April 2024	For the year	Disposal/ Adjustment	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
Freehold land (Refer Note 4.1 and 4.2)	1,225.67	-	-	**1,225.67**	-	-	-	-	**1,225.67**	1,225.67
Building	257.10	-	-	**257.10**	61.72	11.31	-	73.03	**184.07**	195.38
Plant & Machinery	3,312.29	186.65	13.15	**3,485.79**	2,176.40	110.48	10.85	2,276.03	**1,209.76**	1,135.90
Computers	62.80	3.34	-	**66.14**	53.19	1.46	-	54.65	**11.49**	9.61
Furniture and fixtures	71.08	-	-	**71.08**	53.29	1.88	-	55.17	**15.91**	17.79
Vehicles	350.96	-	-	**350.96**	213.11	18.23	-	231.34	**119.62**	137.85
	5,279.91	**189.98**	**13.15**	**5,456.75**	**2,557.70**	**143.37**	**10.85**	**2,690.22**	**2,766.53**	**2,722.21**

4.1 Details of "Title Deeds of immovable property not held in the name of the Company"

Relevant line item in the Balance Sheet	Description of the Property	Gross Block as at 31st March 2026	Gross Block as at 31st March 2025	Title deeds held in the name of	deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since which date	Reasons for not being held in the name of the company
Property, Plant & Equipment	Land	0	650	Mr. Sandeep Gandhi	Promoter	31/12/2019	NA

4.2 The company has executed a MOU dated 29/04/2025 with M/s Agratha Enterprise to transfer the land situated at Survey no. 104/1, 105/1/2/3/4/5 and 300/1 situated at Raikhadi, Umbergaon Sanjan Road, Umbergaon. The draft MOU was approved by the Board on its meeting held on 27/03/2025 and by the shareholders through postal ballot resolution dated 29/04/2025. The Company had originally received the said land as part of the consideration at the time of its retirement from M/s Agratha Enterprises, pursuant to a Deed of Retirement dated 31st December, 2018, with the mutual understanding that Agratha Enterprises would take necessary steps to convert the said land for non-agricultural use.

However, due to factors beyond the control of Agratha Enterprises, the conversion of the said agricultural lands for non-agricultural use could not take place. In light of this, both the Company and Agratha Enterprises have mutually agreed that the said agricultural lands shall now be transferred back to Agratha Enterprises under the following terms and conditions:

a. **Consideration for Transfer**: HTEL has agreed to return the said agricultural lands to Agratha Enterprises at the original consideration of Rs. 6.50 crores.
b. **Obligation of Agratha Enterprises**: Agratha Enterprises shall undertake and bear the entire cost of converting the lands for non-agricultural use. The conversion process must be completed within 24 months from the execution of the MOU.
c. **Failure to Convert**: In the event that Agratha Enterprises is unable to complete the conversion within the specified 24-months period, Agratha Enterprises shall be required to pay HTEL a sum of Rs. 6.50 crores within 30 months from the execution of the MOU.

The aforesaid Agricultural Lands have been transferred back to M/s Agratha Enterprises effective the date of the execution of the aforesaid MOU i.e. 29/04/2025

4.3 **The gross block and net block of Property, Plant and Equipment include the following assets constructed/installed on leasehold properties:**

Particulars	**As at 31st March 2026**			**As at 31st March 2025**			**As at 31st March 2024**		
	Building	**Plant & Machinery**	**Furniture, Fixtures & Computer**	**Building**	**Plant & Machinery**	**Furniture, Fixtures & Computer**	**Building**	**Plant & Machinery**	**Furniture, Fixtures & Computer**
Gross Value	215.86	3513.85	139.03	215.86	3485.79	137.21	199.54	3312.29	133.88
Net Value	141.57	1126.84	25.87	173.28	1209.76	27.39	183.44	1135.90	27.40

These assets have been capitalised in accordance with the Company's accounting policy as they are intended for use during the lease term. The lease arrangements do not confer ownership rights on the Company, and such assets are subject to the terms of the respective lease agreements. The lease term expires on June 30, 2026.

4.4 Impairment of Assets : There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of PPE.

4.5 Security Pledge of Assets : Refer to Note 19 on borrowings for details in terms of pledge of assets as security.

5 Right-of-use assets

(Rupees in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2025	Addition during the year	Termination of Lease	As at 31st March 2026	As at 1st April 2025	For the year	Termination of Lease	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025
Factory Land and Buildings*	163.09	-	-	163.09	139.79	23.29	-	163.08	0.00	23.29
	163.09	**-**	**-**	**163.09**	**139.79**	**23.29**	**-**	**163.08**	**0.00**	**23.29**

*The lease term expires on June 30, 2026.

Right-of-use assets

(Rupees in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2024	Addition during the year	Termination of Lease	As at 31st March 2025	As at 1st April 2024	For the year	Termination of Lease	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
Factory Land and Buildings*	163.09	-	-	163.09	116.49	23.30	-	139.79	23.29	46.59
	163.09	**-**	**-**	**163.09**	**116.49**	**23.30**	**-**	**139.79**	**23.29**	**46.59**

*The lease term expires on June 30, 2026.

6 Capital work in progress

(Rupees in Lakhs)

Particulars	31st March 2026	31st March 2025
Opening Balance	86.41	-
Addition:	83.94	86.41
Less: Capitalized during the year	-	-
Closing Balance	**170.35**	**86.41**

Ageing for Capital Work-in-Progress as on 31/03/2026 is as follows:

	Amount in Capital WIP for a period of				
Particulars	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 Years**	**Total**
Plant & Machinery - Fire Hydrant	-	17.94	-	-	17.94
Plant & Machinery- Grasim Carding Line	14.18	68.47	-	-	82.65
Building- Canteen Block	69.76	-	-	-	69.76
Total	**83.94**	**86.41**	**-**	**-**	**170.35**

Ageing for Capital Work-in-Progress as on 31/03/2025 is as follows:

	Amount in Capital WIP for a period of				
Particulars	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 Years**	**Total**
Plant & Machinery - Fire Hydrant	17.94	-	-	-	17.94
Plant & Machinery- Grasim Carding Line	68.47	-	-	-	68.47
Total	**86.41**	**-**	**-**	**-**	**86.41**

7 Intangible Assets

(Rupees in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2025	Addition during the year	Disposal/ Adjustment	As at 31st March 2026	As at 1st April 2025	For the year	Disposal/ Adjustment	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025
Software	12.70	-	-	12.70	1.59	1.27	-	2.86	9.84	11.11
	12.70	**-**	**-**	**12.70**	**1.59**	**1.27**	**-**	**2.86**	**9.84**	**11.11**

(Rupees in Lakhs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2024	Addition during the year	Disposal/ Adjustment	As at 31st March 2025	As at 1st April 2024	For the year	Disposal/ Adjustment	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
Software	12.70	-	-	12.70	0.32	1.27	-	1.59	11.11	12.38
	12.70	**-**	**-**	**12.70**	**0.32**	**1.27**	**-**	**1.59**	**11.11**	**12.38**

8 Intangible Asset under Development

(Rupees in Lakhs)

Particulars	31st March 2026	31st March 2025
Opening Balance	1.60	-
Addition:	-	1.60
Less: Transfer to expenditure	**(1.60)**	-
Closing Balance	**-**	**1.60**

Ageing for Intangible Asset under Development as on 31/03/2026 is as follows:

Particulars	Amount in Capital WIP for a period of				
	Less Than 1 year	1-2 years	2-3 years	More than 3 Years	Total
Web Design	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Ageing for Intangible Asset under Development as on 31/03/2025 is as follows:

Particulars	Amount in Capital WIP for a period of				
	Less Than 1 year	1-2 years	2-3 years	More than 3 Years	Total
Web Design	1.60	-	-	-	1.60
Total	**1.60**	**-**	**-**	**-**	**1.60**

(Rupees in Lakhs)

9 Other financial assets

(Unsecured and Considered Good)

Particulars	As at 31st March 2026	As at 31st March 2025
Non-Current		
Security Deposits		
-Related Parties*	275.00	257.01
-Others	114.65	40.13
	389.65	**297.14**

<u>* Deposits to related party</u>

Harish Enterprise Private Limited.	**275.00**	**257.01**

10 Other assets

(Unsecured and Considered Good)

Particulars	As at 31st March 2026	As at 31st March 2025
Non-Current		
Balance with Government Authorities & Others	0.35	95.48
Advance to Suppliers for Capital Assets	5.21	11.73
Receivable for Land **	650.00	-
Prepaid expenses	0.43	0.63
	655.99	**107.84**
Current		
Advance to suppliers*	49.99	108.25
Advance recoverable in cash or kind	75.31	51.75
Balance with government authority	168.43	70.19
Prepaid expenses	15.79	11.42
	309.52	**241.60**

*** includes advance to related party:**
1. Harish Enterprise Private Limited.

**** Receivable for Land from Agratha Enterprises**

11 Inventories#

(At lower of cost and net realisable value)

Particulars	As at 31st March 2026	As at 31st March 2025
Raw Materials	919.64	869.46
Work in Process	146.40	120.30
Finished Goods	287.55	344.97
	1,353.59	**1,334.73**

#Inventories are hypothecated with the bankers against term loans (Refer note 19)

12 Loans

Particulars	As at 31st March 2026	As at 31st March 2025
Advances to Staff $	47.97	38.01
Inter Corporate Loan*	63.98	57.12
	111.95	**95.13**

$ Includes advance to KMP	**As at 31st March 2026**	**As at 31st March 2025**
Pinkesh Updhyay -CFO	5.62	3.67
Terms of repayment/interest/secured/unsecured etc.	Repayable on Demand, unsecured and Interest Free	

*** Includes advance to related party:**

Everys Health Care Private Limited.	63.98	57.12
Terms of repayment/interest/secured/unsecured etc.	Repayable on Demand, unsecured and Interest at rate of 12%.	

13 Trade receivables#

Particulars	As at 31st March 2026	As at 31st March 2025
Unsecured , Considered Good*		
Un-billed	-	-
Billed	2,934.51	2,729.81
	2,934.51	**2,729.81**
Less: Provision for Doubtful Receivables (Including Expected credit loss allowance)	17.91	88.22
	2,916.60	**2,641.59**

 # Receivables are hypothecated with the bankers against term loans (Refer note 19)

As on 31.03.2026 **(INR in Lacs)**

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	2,795.39	20.35	67.25	12.02	35.75	3.76	2,934.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-	-
Total	**-**	**2,795.39**	**20.35**	**67.25**	**12.02**	**35.75**	**3.76**	**2,934.51**

As on 31.03.2025 **(INR in Lacs)**

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	1,836.62	787.99	16.64	9.22	0.15	71.54	2,722.16
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	7.65	7.65
Total	**-**	**1,836.62**	**787.99**	**16.64**	**9.22**	**0.15**	**79.19**	**2,729.81**

Provision for Adjusted Expected Credit Loss Allowance:

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	88.22	54.82
Additions/(Reversal) during the year	-70.31	33.40
Closing Balance	**17.91**	**88.22**

Note : The fair value of Trade Receivables is not materially different from the carrying value presented.

(Rupees in Lakhs)

14 Cash and cash equivalents

Particulars	As at 31st March 2026	As at 31st March 2025
Bank Balances: Current accounts	50.75	5.81
Cash on hand	22.69	3.30
	73.44	**9.11**

15 Other Bank Balance

Particulars	As at 31st March 2026	As at 31st March 2025
Bank Balance not available for immediate use being margin money	16.26	3.64
	16.26	**3.64**

16 Current Tax Assets (Net)

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Income tax assets	-	
(b) Current income tax liabilities	-	
Current Tax Liabilities (Net off Advance Tax and TDS)	**-**	**-**

HARISH TEXTILE ENGINEERS LIMITED

Notes to financial statements for the year ended 31st March 2026

(Rs. in Lakhs)

17 Share capital

Authorised, issued, subscribed, fully paid up share capital

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Authorised				
Equity Shares of Rs.10 each	**10,000,000**	**1,000.00**	10,000,000	1,000.00
Issued, Subscribed and fully Paid up				
Equity Shares of Rs.10 each fully paid up	**3,336,000**	**333.60**	3,336,000	333.60
	3,336,000	**333.60**	**3,336,000**	**333.60**

17.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2026		As at 31st March 2025	
	Equity Shares of Rs. 10 each fully paid		Equity Shares of Rs. 10 each	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
Shares outstanding at the beginning of the period	**3,336,000**	**333.60**	**3,336,000**	333.60
Add: Shares issued during the period	**-**	**-**	-	-
Shares outstanding at the end of the period**	**3,336,000**	**333.60**	**3,336,000**	**333.60**

17.2 Terms/ rights attached to equity shares

For all matters submitted to vote in a shareholders' meeting of the Company, every holder of an equity share as reflected in the records of the Company on the date of the shareholders' meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company, all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

17.3 Shareholders holding more than 5 % of total share capital

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of Rs. 10 each fully paid				
Sandeep K Gandhi	**1,604,467**	**48.09%**	1,604,467	48.09%
	1,604,467	**48.09%**	1,604,467	48.09%

17.4 Disclosures of Shareholding of Promoters - Shares held by the Promoters:

As on 31 March 2026:

S. No	Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
			No. of Shares	%of total shares	No. of Shares	%of total shares	
1	Niranjana Kirtikumar Gandhi	Equity	582.00	0.02%	582.00	0.02%	0.00%
2	Kirtilumar Shantilal Gandhi	Equity	673.00	0.02%	673.00	0.02%	0.00%
3	Shaila Sandeep Gandhi	Equity	1.00	0.00%	1.00	0.00%	0.00%
4	Kirtilumar Shantilal Gandhi HUF	Equity	1.00	0.00%	1.00	0.00%	0.00%
5	Sandeep Kirtilumar Gandhi	Equity	1,604,467.00	48.09%	1,604,467.00	48.09%	0.00%
6	Sandeep Kirtilumar Gandhi HUF	Equity	1.00	0.00%	1.00	0.00%	0.00%
7	Saher Ahmed Gandhi	Equity	157.00	0.00%	157.00	0.00%	0.00%
8	Shovan Sandeep Gandhi	Equity	261.00	0.01%	261.00	0.01%	0.00%
9	Shaiv Sandeep Gandhi	Equity	1.00	0.00%	1.00	0.00%	0.00%
Total			**1,606,144.00**	**48.14%**	**1,606,144.00**	**48.14%**	**0.00%**

As on 31 March 2025:

S. No	Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
			No. of Shares	%of total shares	No. of Shares	%of total shares	
1	Niranjana Kirtikumar Gandhi	Equity	582.00	0.02%	582.00	0.02%	0.00%
2	Kirtilumar Shantilal Gandhi	Equity	673.00	0.02%	23,796.00	0.71%	-0.69%
3	Shaila Sandeep Gandhi	Equity	1.00	0.00%	1.00	0.00%	0.00%
4	Kirtilumar Shantilal Gandhi HUF	Equity	1.00	0.00%	1.00	0.00%	0.00%
5	Sandeep Kirtilumar Gandhi	Equity	1,604,467.00	48.09%	1,581,334.00	47.40%	0.69%
6	Sandeep Kirtilumar Gandhi HUF	Equity	1.00	0.00%	1.00	0.00%	0.00%
7	Saher Ahmed Gandhi	Equity	157.00	0.00%	157.00	0.00%	0.00%
8	Shovan Sandeep Gandhi	Equity	261.00	0.01%	261.00	0.01%	0.00%
9	Shaiv Sandeep Gandhi	Equity	1.00	0.00%	1.00	0.00%	0.00%
Total			**1,606,144.00**	**48.14%**	**1,606,134.00**	**48.14%**	**0.00%**

18 OTHER EQUITY

(Rs. in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Retained Earnings		
Opening balance	**555.30**	536.49
Add: Profit (Loss) during the Period	**553.80**	23.55
Other comprehensive income arising from remeasurement of defined benefit obligation * (Refer note 43)	**1.18**	(4.75)
	1,110.28	555.30

HARISH TEXTILE ENGINEERS LIMITED
Notes to financial statements for the year edned 31st March 2026

19	**Borrowings**					
	Particulars	**As at 31st March 2026**		**As at 31st March 2025**		**Security and other details**
		Non-Current	**Current maturity of long term loan**	**Non-Current**	**Current maturity of long term loan**	
A.	**Secured**					
a	Term Loan from Banks	0.00	54.07	52.26	137.16	COVID Loan from UBI and BOI having rate of Interest between 7.5% to 9.25% p.a. Secured with Hypothecation of Stock & Book Debts of Engineering Division and non-woven division respectively and Mortgage of Property situated at Bhilad owned by the company and at Umbergaon owned by Kasha Textiles Private Limited Respectively. further Term Loan is secured against the charge over plant & machinery financed under Term Loan. Personal Guarantee by Mr. Sandeep Gandhi
b	Vehicle Loans	35.60	16.74	42.20	22.77	Vehicle Loans from Banks and/or Financial Institutions/ NBFC for acquisition of vehicles are secured by the hypothecation of the respective Vehicle financed. Rate of interest is in range of 7.5% to 11.5% p.a.
c	7% Redeemable Non Convertible Debetures**	0.00	211.51	0.00	211.51	Secured against second charge over plant and machinery of the non woven division of the Company. Rate of interest 7% p.a.
	Total secured borrowing [A]	**35.60**	**282.32**	**94.46**	**371.44**	
B.	**Unsecured**					
	Unsecured from Related Party					
a	Pacific Harish Industries Limited (Loan from Authum Investment & Infrastructure Limited, (Reliance Commercial Finance Limited.) (The Company has assumed this liability as part of consideration payable to Pacific Harish Industries Limited towards slump sale.)	0.00	25.02	25.02	147.10	Loan from Authum Investment & Infrastructure Limited (Reliance Commercial Finance Limited.) Rate of interest 15.35% p.a. Borrower: Pacific Harish Industries Limited. Co-Borrower: Harish Textile Engineering Limited, Sandeep Gandhi (Director) and Kasha Textile Private Limited. Secured against morgtage of land and building of PSF division owned by Pacific Harish Industries Limited. Further secured personal guarantee of Sandeep Gandhi.
	Total unsecured borrowing [B]	**0.00**	**25.02**	**25.02**	**147.10**	
	TOTAL [A+B]	**35.60**	**307.34**	**119.48**	**518.54**	

HARISH TEXTILE ENGINEERS LIMITED
Notes to financial statements for the year edned 31st March 2026

7% Redeemable Non Convertible Debetures**

Pursuant to the supplementary deed executed on 24th June, 2024 and the second supplementary deed executed on March 18, 2025 between the Company and Axis Trustees Service Limited, the Company had extended the tenure of certain Non-Convertible Debentures (NCDs). The details of the extensions and subsequent defaults in redemption are furnished hereunder:

Series of Debentures	Scheduled Date of Redemption	Extended Date of Redemption	Further Extended Date of Redemption	Further Extended Date of Redemption	Amount in Default
Old Series- III	13th August, 2024	12th February, 2025	12th May, 2025	7th October 2025 *	64.72
New Series- IV	20th September, 2025	NA	20th December, 2025	20th December, 2025 *	146.79
Interest on Old Series- III and IV	NA	NA	NA	NA	3.30

* The Company has failed to meet its redemption payment obligation on its 7% Unlisted, Secured, Unrated, Redeemable, Non-Convertible Debentures ("NCDs") - Old Series-III and New Series-IV, which were due for redemption on October 07, 2025 and December 20, 2025 respectively. The principal amount due was INR 64.72 Lakhs in respect of Old Series-III and INR 146.79 Lakhs in respect of New Series-IV and the interest due from April 01, 2025 to March 31, 2026 was INR 12.58 Lakhs. Subsequently, the Company has paid interest amounting to INR 9.28 Lakhs in the month of April 2026.

The Company has received a Notice of “Event of Default” dated November 11, 2025 from Debenture Trustee, Axis Trustee Services Limited. The Debenture Trustee has notified the Company of its intent to initiate enforcement proceedings. Further, the Debenture Trustee has called upon the Company to repay aggregate dues amounting to INR 211.51 Lakhs plus interest till December 31, 2025, payable to the Old Series III and New Series IV Debenture Holders.

The Company is in discussions with the Debenture Trustee and the Debenture Holders to amicably resolve the matter and complete the redemption at the earliest possible date. The management continues to make every effort to arrange the requisite funds to discharge the said liability.

The extensions of timelines/defaults in repayment of debenture obligations have taken place arising out of liquidity crunch faced by the Company. The net working capital of the Company as on 31/03/2026 is negative. The current liabilities (including short term borrowings) amounted to INR 6430.61 Lacs. The current assets amounted to INR 4781.36 Lacs. The net negative working capital has amounted to INR 1649.25 Lacs.

In view of the default in discharging the liability of Old Series III Debentures due on 12th May, 2025, a meeting of the said series Debenture Holders was convened on Thursday, 22nd May, 2025. During the meeting, it was collectively agreed that the formal extension and processing of the revised redemption timeline shall be undertaken only upon receipt of duly signed No Objection Certificates (NOCs) from majority debenture holders.

The extensions of timelines/defaults in repayment of debenture obligations have taken place arising out of liquidity crunch faced by the Company. The net working capital of the Company is negative at the year end. The current liabilities (including short term borrowings) amounted to INR 6430.61 Lacs. The current assets amounted to INR 4781.36 Lacs. The net negative working capital has amounted to INR 1649.25 Lacs.

The Company’s ability to continue as a going concern is dependent on its ability to raise additional funds as required and successful negotiations with debenture holders and continued support of lenders and vendors along with generation of cash flow from its operations that it needs to settle its liabilities as they fall due.

As of date, the Company has met all its debt obligations payable to its lenders/banks and financial institutions along with applicable interest except for debentures as stated above. The Company is confident of raising resources to tide over the liquidity crunch.

These financial statements have, therefore, been prepared on a Going Concern basis.

The Company has recognised a provision towards managerial remuneration amounting to INR 97.20 Lakhs for the period October 2025 to March 2026, during which the Company is in default in repayment of dues to debenture holders. The said provision has been made on the same basis as in earlier periods and in accordance with the approval granted by the shareholders. The management is of the view that having regards to Section 197 (1) Proviso of the Companies act, 2013 that the managerial Remunerations cannot be paid during the period of default in redemption of NCD’s. without the approval of NCD Holders and the shareholders. However, the said proviso does not absolve the company from making the payment of managerial remuneration of the default period once the default is set right. Since, the accounts are maintained on accrual basis, the Company is duty bound to make provision for remuneration which even though not payable during the default period, will become payable once the default is set right and subject to compliance with the applicable provisions of the Companies Act, 2013 and other relevant regulations.

HARISH TEXTILE ENGINEERS LIMITED

Notes to financial statements for the year edned 31st March 2026

19.1 Current Borrowings

Particulars	As at 31st March 2026	As at 31st March 2025
Loan from Directors/ Related Parties #	**355.00**	**98.59**
Short Term Loan From Bank ##		
Working Capital Loan	**2,326.85**	**2,420.14**
	2,681.85	**2,518.73**

Unsecured, interest free from the Directors and Promoters.

Secured borrowings from Banks

Term of Repayment: Repayable Demand:

1. Engineering Division

Union Bank of India (Corporation Bank) -Overdraft .

Rate of Interest is in the range of 12.50 to 13.50%.

Sanction Limit	**600.00**	**600.00**
Outstanding Balance.	**605.99**	**588.49**

Security:

Secured against Hyphothecation of Stocks and receivables of engineering division of the Company and mortgage of factory, land and building at Bhilard of Engineering Division of the Company.

Further secured by personal guarantee of Director, Sandeep Gandhi.

Renewal of Facility:

An email communication from the Branch Manager confirming renewal of the Cash Credit facility up to March 25, 2026. No formal sanction extending the facility beyond March 25, 2026 had been issued by the bank. However, the facility has continued to be operated by the Company subsequent to March 25, 2026 and the bank has continued to honour transactions in the account in the normal course of business.

2. Non woven and Techncal Textile Division

Bank of India- Cash Credit Limit.

Rate of Interest is in the range of 11 to 12%.

Sanction Limit	**1,500.00**	**1,500.00**
Outstanding Balance.	**1,151.32**	**1,167.26**

- LC Limit

Security:

Security: Secured against Hyphothecation of Stocks and receivables, plant and machinery of non woven division of the Company and collaterally secured over mortgage of
Further secured by personal guarantee of Director, Sandeep Gandhi.

19.2 Terms of original repayment

Secured	**Repayment 2026-27**	**Repayment 2027-28**	**Repayment 2028-29**	**Repayment 2029-30**	**Total**
Term Loan from Banks	54.07	0.00	0.00	0.00	54.07
Vehicle Loans	16.74	22.60	12.32	0.69	52.35
7% Non Convertible Debetures	211.51	0.00	0.00	0.00	211.51
Total secured borrowing [A]	**282.32**	**22.60**	**12.32**	**0.69**	**317.93**
Unsecured					
From Banks and NBFC	-	-		-	-
Unsecured from Related Party					
Pacific Harish Industries Limited (Reliance Commercial Finance Limited) (The Company has assumed this liability as part of consideration payable to Pacific Harish Industries Limited towards slump sale.)	25.02	0.00	0.00	-	25.02
Total unsecured borrowing [B]	**25.02**	**0.00**	**0.00**	**0.00**	**25.02**
TOTAL [A+B]	**307.34**	**22.60**	**12.32**	**0.69**	**342.95**

20 Lease liabilties

Particulars	As at 31st March 2026	As at 31st March 2025
Non-Current		
Lease liabilities	-	-
	-	**-**
Current		
Lease liabilities	-	11.35
	-	**11.35**

21 Other Financial liabilities

Particulars	As at 31st March 2026	As at 31st March 2025
Non-Current		
Inter-division	-	-
Security Deposit	-	9.24
	-	**9.24**
Current		
Payables to capital creditors		
Total outstanding dues of micro enterprises and small enterprises	64.48	9.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Salaries, wages, and other employee benefit payable	211.09	106.70
Gratuity payable	4.16	4.99
Interest Accrued and Due on Borrowings#	12.58	6.90
	292.31	**127.64**

The interest accrued on these debentures, which has become due for payment as per the terms of issue but remains unpaid as at 31st March 2026, is classified as "Interest Accrued and Due on Borrowings". Subsequently, the Company has paid interest amounting to INR 9.28 Lakhs in the month of April 2026. Refer Note-19 "Borrowings" for

22 Provisions

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for employee benefits (Refer note 43)		
Non-Current		
Gratuity	107.83	80.75
	107.83	**80.75**
Current		
Gratuity	8.95	6.90
	8.95	**6.90**

(Rupees in Lakhs)

23 Deferred tax liabilities (Net)

Particulars	As at 31st March 2026	As at 31st March 2025
Deferred Tax Liabilities	25.40	56.32
	25.40	**56.32**

(a) Deferred tax balances and movement for FY 2025-26

Particulars	Net Balance April 1, 2025	Recognised in Profit or Loss	Recognised in OCI	Net Balance March 31, 2026
Deferred Tax Liabilities in relation to:				
Difference between WDV of PPE as per books and	149.93	69.61	-	80.32
Right of use assets	5.86	-54.39	0.00	60.25
Lease Liability	-2.86	-2.86	0.00	0.00
Trade Receivables - provision for doughtful debts	-22.21	-17.70	0.00	(4.51)
Other timing difference- Lease Deposit	-4.53	-4.53	-	-
Provision for employee benefits	-22.06	7.73	0.40	(29.79)
Deduction allowed on payment basis u/s 43B(h) of the Income Tax Act, 1961	-47.82	33.45	0.00	(81.27)
	56.32	**31.32**	**0.40**	**25.40**

(b) Deferred tax balances and movement for FY 2024-25

Particulars	Net Balance April 1, 2024	Recognised in Profit or Loss	Recognised in OCI	Net Balance March 31, 2025
Difference between WDV of PPE as per books and	129.17	20.76	**-**	**149.93**
Right of use assets	11.73	(5.87)	**-**	**5.86**
Lease Liability	(5.43)	2.57	**-**	**-2.86**
Trade Receivables - provision for doughtful debts	(13.51)	(8.70)	**-**	**-22.21**
Other timing difference- Lease Deposit	(8.76)	4.23	**-**	**-4.53**
Provision for employee benefits	(18.47)	(2.02)	**1.57**	**-22.06**
Deduction allowed on payment basis u/s 43B(h) of the Income Tax Act, 1961	0.00	(47.82)	**-**	**-47.82**
Net deferred tax liabilities/(assets)	**94.73**	**(36.84)**	**1.57**	**56.32**

24 Trade payables

Particulars	As at 31st March 2026	As at 31st March 2025
Due to micro enterprises and small enterprises	712.22	417.79
Total A	**712.22**	**417.79**
Due to others		
Due to others	1,586.65	1,867.84
Total B	**1,586.65**	**1,867.84**
Total (A+B)	**2,298.86**	**2,285.64**

As on 31.03.2026 **(INR in Lacs)**

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	323.89	223.41	116.03	33.55	15.33	712.22
(ii) Others	-	178.89	781.91	463.11	109.40	53.33	1,586.65
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**-**	**502.78**	**1,005.31**	**579.14**	**142.96**	**68.66**	**2,298.86**

As on 31.03.2025 **(INR in Lacs)**

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	63.59	298.93	23.37	0.64	31.27	417.79
(ii) Others	-	398.88	1,226.86	145.95	15.07	81.09	1,867.84
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**-**	**462.47**	**1,525.80**	**169.31**	**15.71**	**112.36**	**2,285.64**

Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31st March 2026 and the year ended 31st March 2025 is given below.
This information has been determined to the extent such parties have been identified on the basis of information

Particulars	As at 31st March 2026	As at 31st March 2025
Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act		
-Principal	712.22	417.79
-Interest*	64.48	6.32
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	Not ascertained.	Not ascertained.
The amount of interest accrued and remaining unpaid at the end of each accounting year*	64.48	6.32
The amount of further interest remianing due and payable even if the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure*	64.48	6.32

*The Company has, based on the information and declarations presently available from its vendors, recognized a general provision of INR 64.48 lakhs towards interest payable to MSME vendors in accordance with the requirements of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. The Company continues to obtain updated confirmations and necessary documentary evidence from the respective MSME vendors. Upon receipt of complete information, the Company will reassess and, if required, appropriately adjust the provision in subsequent periods.

(Rupees in Lakhs)

25 Other current liabilities

Particulars	As at 31st March 2026	As at 31st March 2025
Advance from customers	597.00	609.01
Excess of billing over Revenue*	23.71	245.00
Statutory dues #	91.19	136.64
	711.90	**990.65**

*Amounts to cases where related work is performed and are disclosed in the Balance Sheet as contract liability and termed as "Advance from Customer".

Mainly includes liabilites towards statutory dues, provident fund, Tax Deducted at Source and others.

26 Current Tax liabilities (Net)

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Income tax assets	86.14	**10.82**
(b) Current income tax liabilities	215.54	**16.43**
Current Tax Liabilities (Net off Advance Tax and TDS)	**129.40**	**5.61**

(Rupees in Lakhs)

27 Revenue from operations

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Revenue from Operations		
Sale of products	13,833.77	13,155.48
Sale of services	5.00	11.56
Job work income	10.40	24.39
Duty draw back / Export incentive	-	11.31
	13,849.17	**13,202.74**

28 Other income

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Interest income	6.91	6.19
Other interest on lease deposit	17.99	16.81
Gain on sale of property, plant and equipment - Net	1.83	11.42
Liability no longer required	-	0.48
Net Gain on Foreign Currency Transactions and Translation	-	2.92
Rent income	3.23	19.40
Interest income of Interest free Loan	4.44	-
Other miscellaneous income	0.02	-
	34.42	**57.22**

29 Cost of materials consumed

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Raw Material and Packing Material		
Opening Stock Raw Material	869.46	920.51
Add : Purchase Raw Material	8,309.36	8,169.75
	9,178.82	9,090.27
Less: Closing Stock Raw Material	919.64	869.46
	8,259.17	**8,220.81**

30 Changes in inventories of finished Goods, work-in-progress and stock in Trade

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Changes in inventories of finished goods and stock in trade		
Inventory at the beginning of the year		
Finished Goods	344.97	401.43
Work in Process	120.30	280.08
sub total (a)	**465.27**	**681.51**
Less: Inventory at the end of the year		
Finished/ Traded Goods	287.55	344.97
Work in Process	146.40	120.30
sub total (b)	**433.95**	**465.27**
	31.32	**216.24**

31 Employee benefits expenses

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Salaries, wages and allowances	996.50	903.43
Contribution to provident fund, ESIC	26.53	36.18
Directors' remunerations	194.40	165.24
Welfare expenses	45.10	45.58
Provision for Gratuity (Refer note no. 43)	34.86	12.58
	1,297.38	**1,163.01**

32 Finance costs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Interest expense:		
– On Debentures	14.81	20.98
– On Financial liabilities measured at amortised cost	287.14	373.18
– On Lease Liabilities	0.65	1.78
Interest on MSME delayed payments**	54.74	-20.56
Other borrowing cost	4.84	3.51
Other Interest #	29.27	16.89
	391.45	**395.78**

** As part of the settlement arrangements with certain vendors, the Company has reversed interest provisions made in earlier periods to the extent such interest amounts are no longer payable.

includes interest on delayed payment of Tax Deducted Source, Goods and Service Tax and other Statutory dues.

33 Other expenses

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Job work / Labour Charges	569.03	493.96
Power and fuel	740.02	700.52
Repairs to Building and Plant and Machinery	111.11	90.08
Hire Charges	11.54	8.83
Rates & Taxes	14.21	22.98
Payment to auditors*	18.49	7.75
Insurance	30.20	29.85
Professional Fees / Menpower Expenses	535.86	589.29
Printing and Stationery	14.92	11.74
Rent	9.53	17.21
Vehicle expenses	29.20	30.90
Computer Expenses	11.14	10.22
Security Charges	39.17	42.24
Postage & Telephone Charges	5.19	10.72
Office Expenses	10.70	10.09
Electricity charges	3.77	5.83
Car/ Bus Hire Charges	1.06	2.16
Net Loss on Foreign Currency Transactions	3.18	-
Repairs and Maintenance	13.77	42.44
Bank Charges	7.05	6.84
Provision for Expected Credit Loss and write off	-70.30	34.56
Advertisement & Sales Promotion Expenses	2.21	15.66
Commission and Brokerage	94.18	23.30
Exhibition cum Seminar Expenses	12.32	12.55
Outward Freight, Forwarding ,Transport	566.88	442.10
Conveyance, Travelling, Lodging & Boarding and Car Hire expenses	49.93	63.70
Sundry Balance written off	128.66	117.19
Liquidated Damages$$	-	215.54
Penalty/ Late filing fees	5.59	-
Other Expenses	22.98	22.37
	2,991.59	**3,080.62**

Payment to Auditors includes:		
- Audit Fees	10.00	7.50
- Tax Audit/Certifications etc.,	5.00	-
- Reimbursement of Expenses	3.49	0.25
	18.49	7.75

$$ Liquidated damages amounting to ₹215 lakh, pertaining to a related party transaction, have been considered and approved by the Audit Committee and the Board of Directors at their respective meetings held on September 05, 2024.

34 Current tax

(a) Amounts recognised in profit and loss

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Current Tax		
(a) Current income tax	215.54	16.43
(b) Deferred Tax	(31.32)	(36.84)
(c) Short/(Excess) provision of income tax in respect of previous years	-	12.43
Tax expense for the year (a+b+c)	**184.22**	**(7.98)**

(b) Reconciliation of effective tax rate

The following is a reconciliation of the Comapany's effective tax rates for the years ended 31 March 2026 and 31

Particulars	**For the Year ended 31st March 2026**	**For the Year ended 31st March 2025**
Profit before income tax as per Statement of Proit and Loss	738.02	15.57
Enacted tax rate in india in Percentage	25.17%	25.17%
Computed expected tax expense	185.74	3.92
Other difference On account of:		
Timing difference	-10.94	12.92
Expense not deductible and Income not taxable, others, change in tax rate	40.74	(0.40)
Reversal of deffered Tax	(31.32)	(36.84)
Short/(Excess) provision of income tax in respect of earlier years	-	12.43
Income Tax Expense	**184.22**	**(7.98)**
Effective tax rate	24.96%	-51.24%

35 Earning per Share -(EPS)

Earnings per equity share of FV of Rs. 10 each

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**For the Year ended 31st March**	**For the Year ended 31st March 2025**
Profit for the year (Profit attributable to equity shareholders) (Amount In Lakhs.)	554.98	18.80
Weighted average number of ordinary equity shares for Basic EPS (in Nos.)	3,336,000	3,336,000
Weighted average number of ordinary equity shares for Diluted EPS (in Nos.)	3,336,000	3,336,000
Face Value of equity share (RS)	10.00	10.00
Basic EPS (RS.)	16.64	0.56
Diluted EPS (RS)	16.64	0.56

HARISH TEXTILE ENGINEERS LIMITED

Notes to financial statements for the year ended 31st March 2026

36 Fair Value Measurement

A Accounting classification and fair values

As at 31 March 2026 *(Rupees in Lakhs)*

Particulars	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Trade receivables	-	-	2,916.60	2,916.60
Cash and cash equivalents	-	-	73.44	73.44
Other bank balance	-	-	16.26	16.26
Other financial assets	-	-	501.60	501.60
Total Financial assets	-	-	**3,507.90**	**3,507.90**
Financial Liabilities				
Borrowings (incl. current maturities)	-	-	3,024.79	3,024.79
Lease Liabilties	-	-	-	-
Trade payable	-	-	2,298.86	2,298.86
Other financial liabilities	-	-	292.31	292.31
Total Financial liabilities	-	-	**5,615.96**	**5,615.96**

As at 31 March 2025 *(Rupees in Lakhs)*

Particulars	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Trade receivables	-	-	2,641.59	2,641.59
Cash and cash equivalents	-	-	9.11	9.11
Other bank balance	-	-	3.64	3.64
Other financial assets	-	-	297.14	297.14
Total Financial assets	-	-	**2,951.49**	**2,951.49**
Financial Liabilities				
Borrowings (incl. current maturities)	-	-	3,156.75	3,156.75
Lease Liabiltiy	-	-	11.35	11.35
Trade payable	-	-	2,285.64	2,285.64
Other financial liabilities	-	-	136.88	136.88
Total Financial liabilities	-	-	**5,590.61**	**5,590.61**

B Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices 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).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

HARISH TEXTILE ENGINEERS LIMITED

Notes to financial statements for the year ended 31st March 2026

37 Financial instruments – Fair values and risk management

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and deposits.

(a) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's foreign currency risk arises out of various imports of raw materials and trading goods and exports of its finished goods. The Company follows netting principle for managing the foreign exchange exposure. The Carrying Amounts of the Company's Foreign Currency Denominated Monetary Assets and Liabilities based on Gross Exposure at the end of the Reporting Period is as under.

Net Open Exposures Outstanding as at the Balance Sheet Date *(Rupees in Lakhs)*

Particulars	Foreign Currency Denomination	Year ended March 31, 2026		Year ended March 31, 2025	
		Foreign Currency Amount	Amount in Rs.	Foreign Currency Amount	Amount in Rs.
Trade Payables	**USD**	0.10	9.34	-	-
Trade Receivables	**USD**	-	-	-	-

(b) Price risk

i) Sensitivity analysis

Profit or loss is sensitive to higher/lower Exchange rate of currency. A possible 3% change in exchange rate would affect profit/loss at the reporting date by amount shown below:

(Rupees in Lakhs)

Particulars	Profit or (Loss)		Equity (net of tax)	
	3% Increase	3% decrease	3% Increase	3% decrease
31st March 2026				
Trade Payables	0.28	(0.28)	0.21	(0.21)
Trade Receivables	-	-	-	-
Total	**0.28**	**-0.28**	**0.21**	**-0.21**
31st March 2025				
Trade Payables	-	-	-	-
Trade Receivables	-	-	-	-
Total	**-**	**-**	**-**	**-**

(c) 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. Interest rate risks is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company's interest rate exposure is mainly related to debt obligation.

Exposure to interest rate risk

The interest rate profile of the Company's interest - bearing financial instruments is as follows:

(Rupees in Lakhs)

Particulars	31st March 2026	31st March 2025
Fixed-rate instruments		
Financial assets	73.44	9.11
Financial liabilities	211.51	211.51
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	2,813.28	2,945.24
Non-interest bearing instruments		
Financial assets	3,434.46	2,942.38
Financial liabilities	2,591.17	2,433.86

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates.

Based on the composition of debt a reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(Rupees in Lakhs)

Particulars	Profit or (Loss)		Equity (net of tax)	
	100 bp Decrease	100 bp Increase	100 bp Decrease	100 bp Increase
31st March 2026				
Borrowings	(28.13)	28.13	(21.05)	21.05
Total	**(28.13)**	**28.13**	**(21.05)**	**21.05**
31st March 2025				
Borrowings	(29.45)	29.45	(21.79)	21.79
Total	**(29.45)**	**29.45**	**(21.79)**	**21.79**

(d) Commodity Price Risk

The Company is affected by price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of such commodities. Therefore the Company monitors its purchases closely to optimise the prices.

(e) Equity Price Risk

The Company do not have any investment in quoted equity shares hence not exposed to equity price risk.

38 Financial instruments – Fair values and risk management (continued)

Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprises of trade and other payables. The Company's financial assets include trade and other receivables, and cash & cash equivalents that it derives directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company. This provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments, and loans given. The Company is having majority of the receivables from private sector. The Company does not have significant credit risk exposure to any single counterparty.

The carrying amount of following financial assets represents the maximum credit exposure:

Cash and Cash equivalent and Other Bank Balances

The company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Trade and other receivables

The Company's exposure to credit Risk is the exposure that Company has on account of goods sold or services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received.

The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

Assets are written off when there are no reasonable expectation of recovery such as debtor declaring bankruptcy or failing to engage in a repayment plan with group. Where receivables have been written off the company continues to engage in enforcement activity to attempt to recover the receivables. where recoveries are made, these are recognised in profit and loss.

The following year end trade receivables, though overdue, are expected to be realised in the normal course of business and hence, are not considered impaired as at March 31, 2026 and March 31, 2025:

(Rupees in Lakhs)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Neither impaired nor past due	2,795.39	1,836.62
Past due but not impaired		
0-6 Months	20.35	787.99
6-12 Months	67.25	16.64
1-2 years	12.02	9.22
2-3 years	35.75	0.15
more than 3 years	3.76	79.19
	2,934.51	**2,729.81**

39 Financial instruments – Fair values and risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between working capital of the company. The Company generates sufficient cashflow from operations to maintain a healthy working capital balance.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(Rs. in Lakhs)

As at 31st March 2026	Carrying amount	Total	Contractual maturities	
			Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Borrowings (incl. current maturities)	3,024.79	3,024.79	2,989.19	35.60
Trade payables	2,298.86	2,298.86	2,298.86	-
Lease Liabiltiy	-	-	-	-
Other financial liabilities	292.31	292.31	292.31	-
Total	**5,615.96**	**5,615.96**	**5,580.36**	**35.60**

As at 31st March 2025	Carrying amount	Total	Contractual maturities	
			Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Borrowings (incl. current maturities)	3,156.75	3,156.75	3,037.27	119.48
Trade payables	2,285.64	2,285.64	2,285.64	
Lease Liabiltiy	11.35	11.35	11.35	-
Other financial liabilities	136.88	136.88	127.64	9.24
Total	**5,590.61**	**5,590.61**	**5,461.89**	**128.72**

40 Capital Management

The Company's objectives when managing capital are to
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of the annual business plan coupled with long term and short term strategic investments and expansion plans. The funding needs are met through equity, cash generated from operations, long terms and short term bank borrowings/other borrowings.

The Company monitors capital using a ratio of ‘adjusted net debt’ to ‘adjusted equity’. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company’s adjusted net debt to equity ratio is as follows.

(Rupees in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Total borrowings*	3,024.79	3,156.75
Less: Cash and bank balances	(89.70)	(12.75)
Adjusted net debt	**2,935.09**	**3,144.00**
Total equity	1,443.88	888.90
Debt equity ratio	**2.09**	**3.55**
Adjusted net debt to equity ratio	**2.03**	**3.54**

* Includes non-current borrowings, current borrowings and current maturities of non-current borrowings.

41 Leases

The Company as a Lessee

The Company's significant leasing/ licensing arrangements are mainly in respect of factory building. Leases typically run in a range from 1 years to 6 years, with an option to renew the lease after that date. The Company previously used to classify leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company.

In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The Incremental borrowing rate of 8% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The Company used following practical expedients when applying Ind AS 116 :

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

A Amount recognised in Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	as on 31st March, 2026	as on 31st March, 2025
Interest on lease liabilities	0.65	1.78
Amortisation of right of use assets	23.29	23.30
Expenses relating to short term and low value leases charged as Rent	9.53	17.21

B Amount recognised in the Statement of Cash Flows

Particulars	as on 31st March, 2026	as on 31st March, 2025
Interest component	0.65	1.78
Lease component	(12.00)	(12.00)
	(11.35)	**(10.22)**

C Maturity Analysis of Lease Liabilities

Particulars	as on 31st March, 2026	as on 31st March, 2025
Maturity Analysis - Undiscounted		
Less than one year	-	11.35
One to five years	-	-
More than five years	-	-
	-	**11.35**
Lease liabilities included in Balance Sheet		
- Current	-	11.35
- Non Current	-	-
	-	**11.35**

D Movement of Right of Use Assets

Forming part of note to "Right of Use Assets" (refer note 5).

E Movement of Lease Liability

Particulars	as on 31st March, 2026	as on 31st March, 2025
Balance as at the beginning	**11.35**	**21.57**
Additon during the year		
Finance cost accrued	0.65	1.78
Payment of lease liabilities	(12.00)	(12.00)
Lease liability written off on termination of lease	-	
Balance as at the end	**0.00**	**11.35**

42 CONTINGENT LIABILITIES & CONTINGENT ASSETS AND CAPITAL COMMITMENTS

A **Contingent Liabilities not provided for in respect of:**

	Particulars	As at 31st March 2026	As at 31st March 2025
		Amount in Lakhs	
1	The Company has received notice on 14th May 2022 from Shree Nikhil H Gandhi, Smt. Chhaya N. Gandhi and Smt. Kumudben H. Gandhi, claiming to be Shareholders of Pacific Harish Industries Limited ("PHIL"), that they have filed a company petition with Hon. NCLT, Mumbai Bench, inter-alia contending that the business of Non-Woven and PSF transferred to the Company by PHIL by way of Slump-sale w.e.f. April 01, 2019 was without obtaining the approval of Shareholders of PHIL and hence such transfer is invalid. The Company is taking appropriate legal recourse to protect its interest. Vide order dated 09th June, 2023, Hon. Bombay High Court has instructed parties to maintain Status quo and subsequently, Hon. NCLT as well vide its order dated 14th June, 2023 has stayed the further proceedings till the pendency of the Hon. High Court order. Subsequently, the Hon'ble High Court of Bombay vide order dated July 04, 2025 has disposed of the interim application seeking stay on the impugned order. The Impugned order restrains the appellants from the proceedings with the matter filed before the Hon'ble NCLT, Mumbai.	Not Ascertainable	Not Ascertainable
2	The Term Loan and other Credit facilities from Bank of India are, inter-alia secured by Corporate Guarantee and mortgage of properties of Kasha Textile Private Limited (KTPL). One of the Shareholders of KTPL has claimed that the said corporate guarantee and security were given by KTPL without obtaining consent of Shareholders as is required in terms of section 186 of Companies Act, 2013. The company is taking appropriate legal recourse to protect its interest.	Not Ascertainable	Not Ascertainable
3	The Company is in receipt of legal intimation dated April 18, 2024 from one of the Creditors for delayed payment. The said creditor has filed application for delayed payment before the Hon' ble Micro Small Enterprise Facilitation Council, Ahmedabad, Gujarat. As per the said intimation, the company is liable to make a total payment of Rs. 97.59 Lakhs which includes Principal amount of Rs. 25.50 Lakhs (already accounted for in the Books of Account) and an interest amount of Rs. 72.09 Lakhs as of 20/07/2023 (not accounted for in the books). The said creditor has moved an application to Arbitration proceedings in connection with the delayed payment claim made against the company.	**72.09**	**35.96**
4	The Company has, based on the information and declarations presently available from its vendors, recognized a general provision of INR 64.48 lakhs towards interest payable to MSME vendors in accordance with the requirements of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. The Company continues to obtain updated confirmations and necessary documentary evidence from the respective MSME vendors. Upon receipt of complete information, the Company will reassess and, if required, appropriately adjust the provision in subsequent periods	Not Ascertainable	Not Ascertainable
5	The Company has received a legal notice from the advocate/legal consultant of one of the suppliers, demanding payment of the outstanding amount of Rs. 3,10,110.93/- along with applicable interest.	**3.10**	**3.10**
6	The Company has received a Notice for Pre-Institution Mediation issued by the Mediation Centre, Mumbai District Legal Services Authority, City Civil & Sessions Court, Dindoshi, Mumbai, in the matter filed by M/s. Steel-O-Fab Engineers, demanding payment of the outstanding amount of Rs. 12.26 Lacs (already accounted for in the Books of Account) – along with Interest of Rs. 2.78 Lacs.	**2.78**	**-**
7	A tax liability notice has been received from the State Tax Officer, Commissionerate of Taxes, Government of Gujarat, for Rs. 4,80,971/- in relation to unpaid or short-paid tax or wrongful availment of input tax credit, not involving fraud or willful misstatement.	**-**	**4.80**
8	The Company has received a scrutiny notice in Form GST ASMT-10 dated 13 January 2026 from the Office of the Deputy Commissioner of State Tax, Ambad-505, Nashik, Maharashtra under Section 61 of the Central Goods and Services Tax Act, 2017, in respect of GSTR-3B returns filed for the financial year 2023-24 (April 2023 to March 2024). The Company has submitted its reply to the said notice and is contesting the observations raised therein. Based on the assessment of the facts of the case, the management believes that the demand is not sustainable and, accordingly, does not expect any material outflow. Consequently, no provision has been recognised in the financial statements.	**-**	**-**
9	The Company has received a notice under Section 148A(b) of the Income-tax Act, 1961 from the Office of the Assistant Commissioner of Income Tax, Circle 2(1)(1), Mumbai, dated 30 March 2026, in respect of Assessment Year 2021-22 (Financial Year 2020-21). The Company has submitted its response to the said notice. In the view of the management, based on the facts of the case, the notice is not sustainable and no material liability is expected to arise therefrom. Accordingly, no provision has been made in the financial statements.	**-**	**-**
10	The Company has received a Demand-cum-Show Cause Notice/Advisory under Section 50(1) of the CGST/GGST Act, 2017, from the Commissionerate of Taxes, Government of Gujarat, dated 27th January, 2025, alleging delayed payment of self-assessed tax beyond the due date for furnishing returns. As per the notice, the Company is liable to pay interest amounting to Rs. 2,29,079/-. The Company's representatives are taking necessary actions and have appeared before the authorities in response to the said notice.	**-**	**2.29**
11	The Company had received an Intimation of Liability under Section 73(5)/74(5) from the Commissioner of State Tax, Government of Gujarat, alleging a total liability of Rs. 23,03,030/- (inclusive of tax, interest, and penalty) for FY 2021–2022 on 26th May, 2025. The intimation pertains to alleged excess availing of Input Tax Credit (ITC) and short payment of tax, based on discrepancies observed in GSTR-3B, GSTR-1, GSTR-2A, and E-Way Bills. The Company's representatives are taking necessary actions and have appeared before the authorities in response to the said notice.	**-**	**23.03**
12	The Company had received an Intimation of Liability under Section 73(5)/74(5) from the Commissioner of State Tax, Government of Gujarat, alleging a total liability of Rs. 86,209/- (inclusive of tax, interest, and penalty) for FY 2021–2022 on 20th June, 2025. The intimation pertains to alleged excess availing of Input Tax Credit (ITC) and short payment of tax, based on discrepancies observed in GSTR-3B, GSTR-1, GSTR-2A, and E-Way Bills. The Company is in the process of seeking legal advice and preparing its response/submissions to be filed with the appropriate authority.	**-**	**0.87**
	TOTAL (A)	**77.97**	**70.05**

In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows and hence, no provision for such liability is accounted for.

		As at 31st March 2026	As at 31st March 2025
B	**CAPITAL COMMITMENTS**	**NIL**	**NIL**

43 EMPLOYEE BENEFITS

A Disclosures pursuant to Ind AS-19

i Defined Contribution Plans

The Company makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards ProvidentFund (PF)and Employee State Insurance Corporation (ESIC), which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

The company has contributed the following amounts to the fund :-

Particulars	31st March 2026	31st March 2025
Employer's Contribution to Provident Fund & ESIC	26.53	36.18

ii Defined Benefit Plans

The Company provides post-employment benefits to its employees in the form of a gratuity plan. The gratuity liability of the Company is determined in accordance with the provisions of Ind AS 19 – "Employee Benefits", as notified under the Companies (Indian Accounting Standards) Rules, 2015.

The gratuity plan is unfunded, and the liability for the same is recognized in the books of account based on an actuarial valuation carried out by an independent actuary using the projected unit credit method as at the balance sheet date.

The key assumptions used in the actuarial valuation include estimates of salary escalation, employee attrition rate, and discount rate based on prevailing market yields of government securities.

a The amounts recognised in Balance sheet are as follows

Particulars	31st March 2026	31st March 2025
Present Value of Defined Benefit Obligation		
Wholly Funded	-	-
Wholly Unfunded	116.77	87.65
Less: Fair Value of Plan Assets	-	-
Amounts recognised as Liability	116.77	87.65

b The amounts recognised in statement of Profit and Loss are as Follows:-

Particulars	31st March 2026	31st March 2025
Current Service Cost	8.74	7.48
Interest Cost	5.68	5.10
Past Service Cost	20.44	
Expenses included in Employee Benefits	34.86	12.58

c The amounts recognised in Other Comprehensive Income are as Follows:-

Particulars	31st March 2026	31st March 2025
Due to Change in financial assumptions	1.40	3.24
Due to experience adjustments	(2.98)	3.07
Expenses included in Other Comprehensive Income	(1.58)	6.31

d The Reconciliation of Opening and Closing Balances of Defined Benefit Obligation is as Follows :-

Particulars	31st March 2026	31st March 2025
Opening Balance of present value of Defined Benefit Obligation	87.65	73.74
Add: Current Service Cost	8.74	7.48
Add: Interest Cost	5.68	5.10
Add: Past Service Cost	20.44	-
Add/(less): Actuarial Losses/(gains)	(1.58)	6.31
Less: Defined Benefit Claims to be Settled	4.16	4.99
Closing Balance of present value of Defined Benefit Obligation	116.77	87.65

e Breakup of Other Comprehensive Income

Particulars	31st March 2026	31st March 2025
Actuarial losses / (gains) arising from change in financial assumptions	1.40	3.24
Actuarial losses / (gains) arising from change in Demographic assumptions	-	-
Actuarial losses / (gains) arising from change in experience adjustments	(2.98)	3.07

f Actuarial Assumptions

Principal actuarial assumptions at the Reporting date are as follows :-

Particulars	31st March 2026	31st March 2025
Discount Rate (per anum)	7.06 % p.a.	6.75 % p.a.
Salary Growth Rate (per anum)	1.00 % p.a.	1.00 % p.a.
Retirement Age	68 Years	68 Years
Attrition Rate	12.21%	6.11%
Younger Ages	19.00	23.00
Older Ages	104.00	116.00

g Maturity profile of defined benefit obligation

Particulars	31st March 2026	31st March 2025
Year 1	4.10	6.90
Year 2	8.50	2.79
Year 3	1.60	12.76
Year 4	2.20	2.64
Year 5	4.20	4.87
Year 6 to Year 10	30.90	49.12

h Amounts recognized in Profit & Loss Account and Other Comprehensive Income for the Key Managerial Personnel

Particulars	31st March 2026	31st March 2025
P&L Account	1.14	1.32
OCI	(0.10)	0.02
DBO	15.02	13.98

(Rupees in Lakhs)

44 Basis of Segmentation:

The Company has identified following business segments as reportable segments considering nature and products driving its revenue from operations:

a) Textile Engineering
b) Non-Woven
c) PSF

i) Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker.
ii) Segment Revenue, Segment Results and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable bases.
iii) Other income and finance costs are shown below the segments as separate line items as they are not directly allocable to a segment.
iv) The Managing Director of the Company allocates the resouces and assess the performance of the Group, thus he is identified as the Chief Operating Decision Maker (CODM).
v) Details of Business Segment information is presented below:

Segment Revenue and Segment Results

Particulars	Textile Engineering	Non-Woven	PSF	Unallocable	Inter-segment transactions	Total
Segment Revenue						
- 31 March 2026	**1,842.01**	**9,184.53**	**4,078.09**		**(1,255.46)**	**13,849.17**
- 31 March 2025	**2,676.51**	**8,046.90**	**3,722.54**		**(1,243.21)**	**13,202.74**
Other income						
- 31 March 2026	**29.92**	**3.53**	**0.96**	**-**	**-**	**34.42**
- 31 March 2025	**56.87**	**(0.14)**	**0.49**	**-**	**-**	**57.22**
Segment Expenses						
- 31 March 2026	**2,204.57**	**8,131.82**	**3,629.32**	**55.90**	**(1,255.46)**	**12,766.14**
- 31 March 2025	**3,531.26**	**7,183.54**	**3,364.44**	**12.58**	**(1,243.21)**	**12,848.61**
Finance Cost						
- 31 March 2026	**168.21**	**145.30**	**65.94**	**-**	**-**	**379.45**
- 31 March 2025	**100.00**	**189.49**	**106.29**	**-**	**-**	**395.78**
Segment Result						
- 31 March 2026	**(500.84)**	**910.94**	**383.79**	**(55.90)**	**-**	**738.00**
- 31 March 2025	**(897.88)**	**673.73**	**252.30**	**(12.58)**	**-**	**15.56**
Profit before tax						
- 31 March 2026	**(500.84)**	**910.94**	**383.79**	**(55.90)**	**-**	**738.00**
- 31 March 2025	**(897.88)**	**673.73**	**252.30**	**(12.58)**	**-**	**15.56**
Tax Expense						
- 31 March 2026				**184.22**		**184.22**
- 31 March 2025		**-**	**-**	**(7.98)**		**(7.98)**
Profit for the year						
- 31 March 2026					**-**	**553.77**
- 31 March 2025					**-**	**23.55**

(Rupees in Lakhs)

Segment Assets and Liabilities

Particulars	Textile Engineering	Non-Woven	PSF	Unallocable	Inter-segment balances	Total
Segment Assets						
- 31 March 2026	**2,172.41**	**4,433.84**	**1,777.98**	**1,061.91**	**(1,016.95)**	**8,429.20**
- 31 March 2025	**2,189.59**	**4,088.09**	**1,777.26**	**1,059.77**	**(1,026.98)**	**8,087.73**
Segment Liabilities						
- 31 March 2026	**4,300.78**	**2,280.64**	**1,016.64**	**404.21**	**(1,016.95)**	**6,985.32**
- 31 March 2025	**3,817.11**	**2,845.79**	**1,399.72**	**163.18**	**(1,026.98)**	**7,198.82**
Unallocable Assets						
- 31 March 2026	-	-	-	-	-	-
- 31 March 2025	-	-	-	-	-	-
Capital Employed	**(2,128.37)**	**2,153.20**	**761.34**	**657.70**	**-**	**1,443.87**
	(1,627.52)	1,242.30	377.54	896.59	-	888.91

(Rupees in Lakhs)

Information about secondary business segments

The Company uses same set of assets for the sales made in the India and outside India. The expenses incurred for sales to be made in India and outside are Common. Hence, the only the details related to Revenue related to the geographical segments are presented to the CODM.

Secondary Segment informaiton

Sales revenue is based on the location of sales:

Particulars	For the Year ended 31st March 2026		For the Year ended 31st March 2025	
	Revenue from operations	Percentage of total revenue from operations	Revenue from operations	Percentage of total revenue from operations
India	13822.03	99.80%	12887.75	97.61%
Bangaladesh	21.92	0.16%	143.27	1.09%
Chez Republic	2.45	0.02%	0.00	0.00%
Srilanka	0.00	0.00%	0.42	0.00%
Uzbekistan	0.68	0.00%	157.94	1.20%
Germany	0.00	0.00%	6.15	0.05%
Nigeria / Kenya	2.09	0.02%	7.21	0.05%
Total	13849.17	100.00%	13,202.74	100.00%

Information about major customer.
There are one customers from which the group derived 10% or more of the Company's revenue

Particulars	For the Year ended 31st March 2026		For the Year ended 31st March 2025	
	Revenue from operations	Percentage of total revenue from	Revenue from operations	Percentage of total revenue from
A	1,461.30	10.55%	1480.22	11.21%
B	2816.34	20.34%	2426.17	18.38%
			-	

45 Related Party disclosure:

a Related party disclosure as required by Ind AS-24,"Related Party Disclosure", is given below:

Key Management Personnel:

Name		**Designation**
Sandeep K Gandhi	*(with effect from December 30, 2018)*	Managing Director
Sunil Bhirud	*(with effect from March 27, 2025)*	*Executive Director*
Pinkesh Upadhyay	*(with effect from December 30, 2018)*	Chief Financial Officer
Priya Gupta	*(with effect from August 14, 2021)*	Company Secretary

Independent Director

Name	
Bhavna Ronil Brahmbhatt	*(with effect from September 04, 2024)*
Ashvini Gupta	*(with effect from June 10, 2025)*
Ritesh Harshad Patel	*(Resigned with effect from June 10, 2025)*
Mahesh Ratilal Sapariya	*(Resigned with effect from November 14, 2025)*

Relative of Directors/KMP

Shovan S Gandhi
Shaila Gandhi

Entities where Directors/Close family members of Directors having control/significant influence

Harish Enterprise Private Limited.	Common Directors and Common Shareholders
Pacific Harish Industries Limited.	Common Directors and Common Shareholders
Everys Health Care Private Limited.	Common Directors and Common Shareholders
Sanish Investment and Trading Co P Limited.	Common Directors and Common Shareholders
Climbers Corner Private Limited	Common Directors and Common Shareholders
Kasha Textile Pvt. Ltd.	Common Shareholders
Agratha Enterprise-Partnership Firm	KMP is partner in the firm

b **Transactions with Related Parties**

During the year, the following transactions were carried out with Related Parties:

Sr. No.	Name of Related Party and nature of transactions	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Entities where Directors/Close family members of Directors having control/significant influence			
1	**Harish Enterprise Private Limited.**		
	Rent expense	12.00	12.00
	Rent deposit given		
	- Undiscounted value	275.00	275.00
	- Discounted value	275.00	257.00
	other receivable	1.34	12.13
2	**Pacific Harish Industries Limited.**		
	- Other Financial Liabilties		
	- Loan Repaid	147.10	189.75
	- Financial Liabilties -Reliance Loan	25.02	172.12
	- Advance recoverable	16.03	0.00
3	**Everys Health Care Private Limited.**		
	Interest Income	6.85	6.19
	Repayment done	0	0
	Loan Given	63.97	57.12
4	**Sanish Investment & Trading Co P Limited.**		
	Consideration recevable-Closing	0	215.54
	Liquidated Damages	0	-215.54
5	**Climbers Corner Private Limited.**		
	Receipt of service	8.1	0.00
	Revenue from Operations (excl GST)	0	0.60
	Balance receivable	0.71	0.71
6	**Shovan S Gandhi**		
	Salary	24.00	25.30
	Salary Payable	9.48	1.80
7	**Shaila S. Gandhi**		
	Professional Fees	30.00	30.00
	Professional Fees Payable	16.2	2.7
8	**Nfinia Industries Private Limited**		
	Loan Repaid	125.59	60.5
	Loan Received	27.00	11.25
	Loan O/s	0	98.59
9	**Agratha Enterprises**		
	Receivable for Land	650.00	0
Director and Key management Personnel			
10	**Sandeep K Gandhi**		
	Director Remuneration (including reimbursement of expense)	167.34	162.54
	Loan Received	355.00	
	O/s Balance	355.00	
	Remuneration Payable	66.25	12.341
11	**Hitendra Desai**		
	Director Remuneration	0.00	7.35
	Remuneration Payable	0.00	0.61
12	**Pinkesh Upadhyay**		
	Remuneration	18.00	18.00
	Loan Given	22.24	28.66
	Loan Repaid	16.62	25.00
	O/s Balance	5.62	3.67
13	**Priya Gupta**		
	Remuneration Paid	7.93	6.62
14	**Sunil Bhirud**		
	Remuneration Paid	27.06	0
	Remuneration Payable	22.53	0

Note 46:

The Company has maintained its books of account using accounting software that has the feature of recording an audit trail (edit log) facility. However, the said feature could not be enabled during the year.

Note 47: Additional disclosures as required under schedule Ill of the Companies Act 2013.

1. Title deeds of all immovable properties are held in name of the Company, except one property as detailed below:

Description of property	Gross carrying value as at March 31, 2026
Flat No. 506, Takshsila Apartment, Majura Gate, Surat.	10.85 Lakhs

2. The company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.

3. The company has not revalued any of its property, plant and equipment including Rights to use assets in the current year and previous year.

4. The company has granted loans or advances to KMP's and the related parties that are repayable on demand. (refer note no. 12)

5. No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act. 1988.

6. Company is not having any transaction with the Companies struck off under the Section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956.

7. There are no charges or satisfaction thereof which are to be registered with the Registrar of Companies beyond statutory period.

8. The company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

9. The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act,2013.

10. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or;
    b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

11. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
    a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or;
    b) Provide any guarantee, security or the like on behalf of the ultimate beneficiary.

12. The company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act. 1961.

13. The company has not traded or invested in Cyrpto Currency or Virtual Currency during the financial year.

14. There were no scheme of Arrangements approved by the competent authority during the year in terms of section 230 to 237 of the Companies Act, 2013

15. The Company has filed quarterly returns or statements with the banks who have sanctioned working capital facilities, which are in agreement with the books of accounts, other than those as set out below:

Name of Bank & working capital limits sanctioned	**Nature of current asset offered as Security**	**Quarter ended**	**Amount disclosed as per Quarterly return/statement**	**Amount as per books of account**	**Difference**
Name of bank: Bank of India Limit: 1500	Receivable and Stock (net of trade payable).	June 30, 2025	2037.45	2047.29	-9.84
		September 30, 2025	2124.44	2157.48	-33.04
		December 31, 2025	2263.05	2272.24	-9.19
		March 31, 2026	2396.24	2431.42	-35.18

*** Reason for Difference between Stock as per Books and Stock Statement**

The difference between inventory as per books of accounts and as reported in the stock statement submitted to the bank primarily arises due to the treatment of goods in transit.

Under Ind AS, revenue is recognized only when the control of goods is transferred to the customer. Accordingly, goods for which risk and reward of ownership have not been transferred as of the reporting date are considered as inventory (stock in transit) in the books of accounts. These include shipments dispatched but not yet delivered or acknowledged by customers, for which revenue recognition criteria under Ind AS 115 are not fulfilled.

However, the stock statement furnished to the bank excludes such stock in transit, based on the operational definition and the format prescribed by the bank, which generally considers only physically available stock at the entity's premises.

This accounting treatment, consistent with Ind AS principles, results in a higher closing inventory in the books compared to the stock reported in the bank statement.

Name of Bank & working capital limits sanctioned	Nature of current asset offered as Security	Quarter ended	Amount disclosed as per Quarterly return/statement	Amount as per books of account	Difference
Name of bank: Union Bank of India	Receivable and Stock.	June 30, 2025	978.96	1339.31	-360.35
		September 30, 2025	991.92	1589.63	-597.71
Limit: 600		December 31, 2025	1144.74	1385.59	-240.85
		March 31, 2026	1150.22	1250.77	-100.55

 # Reason for Difference between Stock & Receivable as per Books and Stock Statement

The difference in the value of stock/receivable as per the books of accounts and the stock statement submitted to the bank is primarily due to the revaluation of inventories and bill discounted.

48 **Ratio Analysis:**
As on 31 March 2026:

Particulars	Numerator	Denominator	Current Period	Previous Period	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						
Current Ratio (times)	Current Assets	Current Liabilities	0.74	0.67	11.12%	Not applicable - variance is below 25%.
Solvency Ratio						
Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	2.09	3.55	-41.01%	The improvement is driven principally by the accretion to shareholders' funds out of the total comprehensive income earned during the year, together with a reduction in total borrowings consequent to scheduled repayment of term loans and vehicle loans.
Debt Service Coverage Ratio (times)	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest + Lease Payments + Principal Repayments	1.65	0.79	110.16%	The improvement arises from both components of the ratio: earnings available for debt service have increased, mainly on account of the higher profit after tax for the reasons explained under the Net Profit Ratio below; and the debt service obligation has reduced, as the scheduled principal repayments falling due during the year were lower than those of the previous year.
Profitability ratio						
Net Profit Ratio (%)	Profit After Tax	Total Sales	4.00%	0.18%	2142.28%	The variance is on account of an improvement in profitability rather than a change in the scale of operations. The improvement is attributable mainly to (i) better contribution, revenue having grown while the cost of materials consumed, net of changes in inventories, remained largely at the level of the previous year; (ii) the absence in the current year of the charge towards liquidated damages recognised in the previous year; and (iii) a net write-back of the allowance for expected credit loss in the current year as against a charge in the previous year. These gains were partly offset by interest on delayed payments to vendors registered under the MSMED Act, which is a charge in the current year as against a net reversal in the previous year.
Return on Equity Ratio (%)	Profit After Tax - Preference Div. (if any)	Average Shareholder's Equity	47.48%	2.68%	1673.53%	The variance is on account of the increase in profit after tax for the reasons explained under the Net Profit Ratio above, the growth in profit being proportionately much higher than the growth in average shareholders' funds during the year.
Return on Capital employed (%)	Earning before interest and tax	Tangible Net Worth + Total Debt + Deferred Tax Liability	25.13%	10.03%	150.62%	The variance is on account of the increase in earnings before interest and tax for the reasons explained under the Net Profit Ratio above, the growth in operating earnings being proportionately much higher than the increase in capital employed during the year.

Utilization Ratio						
Trade Receivables turnover ratio (times)	Net Credit Sales	Average Trade Receivables	4.98	5.42	-7.98%	Not applicable - variance is below 25%.
Inventory turnover ratio (times)	Cost of goods sold or Sales	Average Inventory	6.17	5.75	7.34%	Not applicable - variance is below 25%.
Trade payables turnover ratio (times)	Net Credit Purchases	Average Trade Payables	3.62	3.75	-3.39%	Not applicable - variance is below 25%.
Net capital turnover ratio (times)	Net Sales	Working Capital	-	-	0.00%	The Company's working capital is negative in both the current and the previous year, arising out of the liquidity position described in Note 19. As the denominator is negative, the ratio is not meaningful and has accordingly not been presented. The extent of the negative working capital has, however, reduced during the year on account of the profit earned and the reduction in current liabilities.
Other Ratios						
Long Term Debt to Working Capital Ratio	Long term loans borrowings (incl. current maturities of long term borrowing)	Current Assets- Current Liabilities (excl. current maturities of long term borrowing)	-	-	0.00%	The Company's working capital is negative in both the current and the previous year, arising out of the liquidity position described in Note 19. As the denominator is negative, the ratio is not meaningful and has accordingly not been presented. The extent of the negative working capital has, however, reduced during the year on account of the profit earned and the reduction in current liabilities.
Interest Service Coverage Ratio (ISCR)	EBITA (excl. exceptional items)	Interest Expenses	2.88	1.56	85.24%	The variance is on account of the increase in operating earnings before interest, tax and amortisation for the reasons explained under the Net Profit Ratio above, while the finance cost for the year remained broadly at the level of the previous year. The previous year's numerator is stated after adding back the exceptional charge towards liquidated damages; there are no exceptional items in the current year.
Bad Debts to accounts receivable ratio	Bad Debts	Average Trade Receivables	0.05	0.05	-3.69%	Not applicable - variance is below 25%.
Current Liability Ratio	Current Liabilites	Total Liabilities	0.97	0.96	1.45%	Not applicable - variance is below 25%.
Total Debt to Total Assets Ratio	Total Borrowings	Total Assets	0.38	0.41	-9.23%	Not applicable - variance is below 25%.

49.1 Previous year figures

Previous year's figures have been regrouped or reclassified wherever necessary to confirm to the current period's presentation

49.2 The financial statements are approved for issue by the Audit Committee and the Board of Directors at their respective meetings conducted on 30th May, 2026

For K M Swadia & Co. **Chartered Accountants** **FRN - 110740W**	For and on behalf of the Board of Directors of **HARISH TEXTILE ENGINEERS LIMITED** **(CIN:L29119MH2010PLC201521)**	
Pravin Panchiwala **Partner** **Membership No. 127406**	**Sandeep Gandhi** **DIN : 00941665** **Managing Director**	**Sunil Bhirud Narayan** **DIN :03469816** **Executive Director**
	Priya Gupta **Company Secretary and Compliance officer**	**Pinkesh Upadhyay** **Chief Financial Officer**
Place : Vadodara **Date : 30/05/2026**	**Place : Mumbai** **Date : 30/05/2026**	

If undelivered return to:

HARISH TEXTILE ENGINEERS LIMITED
2nd Floor, 19 Parsi Panchayat Road,
Andheri East, Mumbai 400069